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.

1. **APPROVAL SEPTEMBER 22, 2020 DRAFT MINUTES**

2. **CONSENT ITEMS**
   - **Sales Tax Chart**
     Presenter: Greg Hays, Budget Officer

3. **2020 FALL SUPPLEMENTAL**
   Presenter: Kerstin Claspell, Senior Management Analyst (10 minutes)

4. **RESOLUTION FOR MINIMUM WAGE ASSISTANCE**
   Presenter: Mayor Coffman
   Terri Velasquez, Finance Director (15 minutes)

5. **DIFFERENTIAL PAY FOR THOSE GOING OUT ON MILITARY PAY**
   Presenter: Mayor Coffman
   Dianna Giordano, Human Resources Director (15 minutes)

6. **TEMPORARY CAP ON THIRD PARTY FOOD DELIVERY FEES**
   Presenter: Council Member Gardner
   Trevor Vaughn, Tax and Licensing Manager (15 minutes)

7. **AURORA’S CONTRIBUTIONS VS BENEFITS OF SCFD**
   Presenter: Council Member Gardner
   Nancy Wishmeyer, Controller (15 minutes)
8. **2021 BID OPERATING PLANS AND BUDGETS**  
    Presenter: Chad Argentar, AURA Project Manager  
    Jennifer Orozco, AURA Project Manager  
    Carol Toth, Manager of Accounting (10 minutes)

9. **2020 BKD AUDIT ENGAGEMENT LETTER**  
    Presenter: Nancy Wishmeyer, Controller (5 minutes)

10. **INTERNAL AUDIT Q3 REPORT**  
    Presenter: Wayne Sommer, Internal Audit Manager (10 minutes)

11. **MISCELLANEOUS MATTERS FOR CONSIDERATION**  
    Presenter: Terri Velasquez, Finance Director  
    • Next meeting is on November 24th at 1:00 pm, WebEx Meeting (Thanksgiving Week)  
      o In the past the Committee has moved the meeting to early December and combined the November and December meeting. Does the Committee want to combine the November and December meeting and move the meeting date?

_Total projected meeting time: 95 minutes_
MANAGEMENT AND FINANCE POLICY COMMITTEE
WEBEX

Members Present: Council Member David Gruber – Chair, Council Member Marcano – Vice Chair, Council Member Gardner – Member


INTRODUCTIONS AND MINUTES
August 25, 2020 minutes were approved.

CONSENT ITEMS
August of 2020 was 1.8 percent lower than August of 2019.

Outcome
The Committee thanked staff.

Follow-up Action
No follow-up needed.

PROPOSED CAMPAIGN FINANCE REFORM ORDINANCE
Summary of Issue and Discussion
The Mayor, Mike Coffman express thanks to the Committee for allowing him to present his proposal. He stated he asked Steve Ruger before he resigned what he thought a campaign finance reform ought to look like. He recommended that it be simple and not to try and do everything at once and he was concerned about enforceability. The Mayor stated that he had his proposed ordinance structured around those lines and what the public would most want out of campaign finance reform. The Mayor’s proposed campaign finance reform ordinance was drafted by the City Attorney office and brought before the elections commission.

Committee Discussion
Council Member (CM) Marcano: I have a lot of heart burn with the elections commission dealing with complaints as they are basically appointed by Council. I really would rather see that be a third party rather than have folks that are so close. I think the initial draft of the other ordinance adjudicated that to the City Clerk’s office, which while not a direct counsel appointee, I know there were some concerns around them being City employees. So, if this were to move forward, I think this needs to be someone outside of the City or at the very least someone in the City Clerk’s office.

Mayor Coffman: One thing Steve mentioned is the concern about the weight of the responsibility on the City Clerk; him or herself. And so that’s certainly a consideration and I’m open, as long as it doesn’t go directly to some type of legal proceeding. Because a lot of the things are fairly clear, unless it depends on how you write it and if you write a mind-numbing complex campaign finance reform who knows where it needs to go. It probably would need to be lawyered up from day one. But if it’s simple...
and clear and a violation is either you have a contribution that’s too much and you have to give it back, or if you have a contribution from a source that’s not authorized. Those are the two basic things and also submitting your reports on a timely basis that’s basically the crux of it. So it depends on where you go in terms of how you write and in terms of who ought to be the initial oversight authority. I clearly want it to be administrative in nature and then certainly one has the ability to appeal then you have to decide to lawyer up. All administrative decisions are subject to appeal.

CM Marcano: So, with regards to complexity here, could you summarize this one in a one pager? Because I think that it will be something very useful to have both of these broken down in that way. Because I don’t think that folks currently read our existing code cover to cover. I think it’s just a matter of summarizing the intent in a way that folks can pretty easily while making sure that the language is as airtight as possible. I think that’s why the other proposal is long because this was written in conjunction and drafted by a former employee at the Secretary of State (SOS) office, which I think might have been there when you were at SOS. We worked with professionals who are experienced with Colorado’s election law. So, I don’t think length is necessarily a detriment, in fact I think that it’s good when we’re trying to make something airtight. That is actually one of the concerns I have with this because it doesn’t go into detail of outlining all those processes. But again it could be summarized in a one pager to actually make these things less likely to become legal battles I think need to be clearly defined.

Mayor Coffman: You have to remember as we historically go up in terms of different echelons in government, the campaign finance laws tend to be more complex or more complex at the federal level than they are at the state level and should be easier at the local level. These are not historically high cost campaigns but certainly become that and also unfortunately they become driven by outside groups. So I think it’s important again in being realistic in terms of the contribution levels.

CM Gruber: My point on that, I’m a little bit concerned about taking a multiple page document and turning it into a one page because if the law is violated it probably won’t be something on the one page. The violation could be somewhere in the other pages that aren’t captured in the synopsis. Even though there’s a one-page synopsis, the candidate is responsible for the entire law not just that one-page synopsis and so that’s my thought on that.

Mayor Coffman: A lot of the language in the proposed ordinance is existing law. Most of the language is existing law. You can obviously see what is struck and the bold is obviously the new language and so it does largely comport with the existing law.

CM Gardner: One of my questions has to do with allowable contributions that it doesn’t allow contributions from anything but an individual. I guess I’m just curious regarding the thought process there and to be clear, what my concern is what that’s going to allow is an individual, a wealthy individual, to self-fund their campaign because of course we can’t place any restrictions on self-funding.

Mayor Coffman: I think those are pretty decent limits, but I think that’s always a danger in campaign finance reform. The more you rachet down an individual’s ability to raise funds contributions the more you empower outside organizations and the more you empower wealthy candidates. Under the Valeo decision in the 1970’s, I think the interpretation of that supreme court decision is that you cannot restrict an individual’s ability that gives to a wrong campaign. Unless you go to a total public funding of a
campaign. I think that’s been tried in different areas on more of a voluntary basis, however that’s a very hard and very difficult issue too because not to venture off the subject, but because the fact incumbents inherently have earned media and you can’t always place a dollar value on that, and there’s an inherent advantage for an incumbent over a challenger. Nevertheless, I think your point is well taken. There are things like some of the traditional donors in municipal elections that are called limited liability corporations’ and partnerships. I can’t remember where they are in state law right now and in the federal law, but they have been historically significant contributors to local elections, and they would be barred. However, certainly those individuals could write a personal check, but they couldn’t write a corporate check or a check from their business.

CM Gardner: I think in general my opinion on this topic is it needs to provide as much transparency and disclosure as possible. I would be interested in maybe doing our initial disclosure earlier, currently I think it’s 90 days and maybe pushing up to 180 days. I think, in general, I prefer a simpler approach and for the good of everyone the biggest reason why that is and why I don’t think comparing us to state candidates for example is apples to apples. They have county and state party election lawyers that can help manage and navigate election law and nonpartisan candidates on council. We don’t have that and so that’s why my preference would be to do as simple campaign finance ordinance as possible. This is just a general comment.

CM Marcano: With regards to the limits I do have an issue there. I think that they’re too high and I really dislike treating larger or in terms of constituent races differently than ward races because the emphasis should be on the candidate to be able to grow their base and contact more people and find more sources of funding rather than basically empower those races to be influenced by extremely wealthy donors. I think there’s a large difference between having a cap of $1,000 versus a cap of $500, and even $500 is too high, when you look at 40% of Americans that don’t have more than $400 for an emergency situation. So, who are we really empowering here? I think that operating off of the state limits if folks don’t want to go any lower, then that is something that’s been proven to yield better results and it combats the influence of extremely wealthy contributors. The dark money concerns are well taken and that’s going to happen anyway. We’ve seen that growing in Aurora over the last couple of cycles especially as the state delegates more local control to us over things like surface use for oil and gas and minimum wage. So who knows what else they might delegate to us in the future. I think that we’re seeing is kind of a natural progression of that local control attitude, so our races are going to draw more money. So, I am concerned about having higher limits because I don’t want our races to look like federal races where you have folks who maxed out and then makes smaller contributions much less influential. And there was something that you brought up Mayor that I would actually like to explore further and that’s the public financing component as a potential limit to stop even a wealthy individual from basically self-funding their whole campaign. I didn’t like seeing that happen for our gubernatorial race and I don’t imagine any of us really would like to see that happen for a city Council race. But the democracy vouchers model out of Seattle has been very successful in allowing grass roots candidates to actually perform very well, and even combat Amazon which is no small feat and still come out on top. So, I think that’s something worth exploring as well, especially if we continue to grow.

Mayor Coffman: CM Marcano the proposal that you are supporting which my understanding is does not engage in public funded campaigns. I don’t know what the level support would be among people of Aurora to have taxpayers’ dollars going to political candidates. This has always been a controversial issue and it’s been going on for a long time.
CM Marcano: Yes, it’s definitely been a controversial issue, but I think the results do speak for themselves you get a more diverse base of candidates in terms of ideology and also personal levels connection with money interests, so I think that’s positive. And really basically I think it boils down to what’s the acceptable cost of a functioning representative democracy. But I do have something if you want to talk about after this that’s not directly related, I’m happy to spend some time chatting about.

Mayor Coffman: Sure. But the problem is you’re making an assumption by pushing down the limits. You want public funded campaigns, but we don’t have that. Your pushing down the limits and so what you’re doing or accomplishing in that regard since the limits are reasonable is that you’re empowering outside groups and independent contributors that you call dark money and you’re empowering wealthy candidates in the reality of the situation that we have today.

CM Marcano: In terms of likely funding sources that may happen. I would like to see a candidate defund them being beneficiaries of outside money and basically not being able to meaningfully garner any grass roots support especially from folks that actually reside in Aurora. That kind of ties into a campaign scenario, right. However, if we want to go down the road to discuss strategy, we can but the fact of the matter is our last election cycle I think was the most expensive in the city’s history and continuing to leave higher limits in place is just going to perpetuate that trend. So that’s why I think the limits need to be lower.

Mayor Coffman: What do you think they should be?

CM Marcano: I would honestly have it be the same as in the other proposal, 80% of what the state legislature currently can raise because that’s the average size of our wards. Senate districts are larger, but they have the same limits, so $320 I think is where I would like to see it. I know that can be an issue to negotiate, but $500 and $1,000 again I don’t think that makes sense since that’s higher than the state.

Mayor Coffman: And what for a Mayor and Council at Large?

CM Marcano: The same limit. You want to represent a larger constituency it should be your job to garner more support and to fundraise a broader base.

CM Bergan: I don’t agree with a $500 limit for a ward Council Member. I actually do agree it should be the same. I don’t agree with the amount. I think it should be $2,000 personally, right now, it’s unlimited so I don’t even agree with the amounts. I have a question on constitutional rights. I don’t know if there’s an attorney on the line, but is it illegal to tell an individual what they can contribute to their candidate?

Mayor Coffman: Let me defer it to legal but let me take a stab at it first. It’s my understanding that you cannot restrict an individual to give but you can restrict a candidate from receiving. I don’t know if there’s somebody from the City Attorney that would like to weigh in on that.

H. Hernandez: My knowledge on that one is basic, but I believe that the Mayor is correct however we can take it to Dave Lathers and have him get back to you if need be.
CM Bergan: You mentioned Mayor that they could still bundle contributions as long as they list the individuals and the addresses. This happens all the time for example with school unions and other unions where it’s not coming directly from the union it’s basically are called an action out on websites and social media for the members to the union to then make those contributions so that would still be allowed. To me that’s almost a corporation, it’s just getting around the law by saying we can’t give it, but you each give $50 bucks which is what happens.

Mayor Coffman: I think what the difference would be in the current law if you look at the small donor committees. They don’t have to list the dollars that it’s from small donor XYZ. Under this you could say whatever entity can collect checks and forward the checks on but you as a candidate have to report each individual. It can’t be that, I received this amount from whatever entity labor union or whatever small donor committee XYZ, or political action committee XYZ. You can only receive it from individuals, and we have to note the personal information for each individual as we do now, but now we can take it from anyone which under this if this becomes the law it can only come from individuals.

CM Bergan: So, an LLC can be partnership but it’s not a corporation and you’re saying the LLC could not contribute but the two partners could for example.

Mayor Coffman: The partners individually could contribute to the limits but the LLC you couldn’t accept a contribution because it’s not from an individual.

CM Bergan: And apparently that’s constitutional.

Mayor Coffman: No, I think your referring to Citizens United but that’s the ability for an individual to contribute. But again, you’re going into this situation that an individual can spend so, as a candidate I can spend my own money without limitation. A corporation could spin money in terms of through an independent expenditure, but they can’t receive it under this proposal and that is consistent with Citizens United. I think it simply states that corporations as entities can but just making politics but then changed the ability to regulate contributions.

CM Berzins: I just want to comment that I don’t agree with the limits either and let me state this, I’m not running anymore. I’ve run five campaigns and each one has gotten a little bit more expensive because postage has gone up, paper has gone up, and printing has gone up. Its reality. Campaigns cost more every time. I’ll be honest if you think that because you’re going to set a low limit that campaigns are going to get cheaper, they’re not. Because people are not going to cut back what they do to campaign. Are you going to cut back your yard signs? They’ve gone up, the wires for yard signs have gone up. Its reality! People will find a way to get money in their campaign. If you only want it from individuals, then you’re really not solving the problem. You’re just creating more problems because this is reality. The first time I ran I talked to an advisor and the first thing he asked me was how much money do you think you can raise because campaigns are expensive. And if you don’t have the people and you don’t have the backing then don’t waste your time. It’s just the reality and this is not a perfect world. I wish it was but it’s not. It takes money to run a campaign. If you think that the limits are lower the campaign is going to be cheaper its not that’s the world. Let me ask Mayor Coffman where does these online companies like Emily’s list, Planned Parenthood, WinRed and ActBlue, where does that fit in your new proposal?
Mayor Coffman: In order to receive a contribution from a group like that you would have to have a breakdown of every individual that contributed to that and it may need some clarifying language. It’s an interesting question, I think it needs clarifying language and I’ll have to think about that. Could they give as an individual reported every contributor and certainly that’s my intent but what happens if you receive a check from ActBlue. Can you cash that check and list every individual with all the required reporting information but the way it’s written right now you could not and so that’s something I’ll have to think about. Because you can only receive checks from individuals, and you can’t receive checks from a non-individual.

CM Berzins: If you go back and look at some of our campaign finance reports you’ll see $25 and $50 checks from all over the country. So that tells me that they’re coming in somehow and some way and so I’m concerned with that if we limit to individuals. What are we going to do with these online giving groups and the limit can only come from individuals?

Mayor Coffman: That’s a good question but the way it’s written now unless the checks came from individuals the candidate couldn’t cash them and use those resources. So that’s something I would have to think about, but it would require clarifying language in order to do that. I think the fundamental issue is transparency.

CM Coombs: So, I again want to raise the concern of the election commission having this on their plate. I know that certainly the City Clerk’s office having it on their plates it would require additional staff. It’s just not clear to me the current frequency the election commission meetings and the composition of the election commission it’s something that could be quickly adjudicated, and they be able to adjudicate everything that came forward. I don’t think having them do it makes it impossible to have frivolous complaints. I think it just means if we have a frivolous complaint come forward it just puts more on their plate and it could potentially make it harder for them to assess the difference between the frivolous ones and the genuine ones.

Mayor Coffman: So, I am waiting from the response of the election commission which I did present to them last week.

CM Coombs: Okay, I have one other question, and have you evaluated if this had been in place when you were running for mayor how much you would have raised?

Mayor Coffman: Considerably less, I haven’t calculated at a mayoral.

CM Gruber: You had talked earlier about the fact that the City cannot restrict from giving but the City can restrict a candidate from receiving. We had an issue that’s been raised a couple times now about money coming in outside the city. People who don’t have an interest in the city. I can see where a business owner or a resident or someone that owns property in the city should have the say on how the city is governed. I struggle a little bit on how somebody from San Diego or why that person would be able to influence an election. Is there a way within the ordinance to restrict that and tell candidates that they could only receive money from people within the city or people with business located within the city?

Mayor Coffman: I think you could probably write that, but I think it gets fairly complicated as to what an interest in the city constituted. But I suppose that would be a good question for the City Attorney’s
office. I think that you’re starting to get fairly complicated, but it probably would be easier if you say residents in the city or I guess you could say property owners. There might be a question in terms of constitutionality of allowing property owners and residents, but not other individuals that may feel an interest in the city but don’t reside in the city. Again, the central theme is simplicity and something that’s easy to enforce.

GM Gruber: My second question has to do with contributions in kind. You described those within the ordinance. My concern in the last election we had organizations in Denver send canvassers to the city and if those were paid by a candidate obviously resulted in an expense. What are your thoughts on outside groups canvassing within the city?

Mayor Coffman: I think you have constitutional case law regarding that in terms of freedom of speech and I do think that we do have that within our law now. It’s a requirement to report contributions in kind and so I believe that exist. But again, we’re not proposing to move to publicly funded election and there’s all kind of challenges there. So, you can’t limit a wealthy person and I don’t think in any circumstances you can limit an outside group and so you’re transferring the influence or ability for a candidate to have his or her own message. It can control his or her campaign to outside forces and so I think we realize there’s no perfect world as CM Berzins said but I think it’s important to strike an appropriate balance.

CM Gruber: I would like to remind everyone the other proposed campaign finance reform ordinance that came forward to committee went with a split vote. I would like to vote on moving this one forward and with this report both of them will have to be adjudicated and one or the other will win.

CM Marcano: I’m a no on this because there’s a lot of unsettled issues as we discussed. So, I would like to see this come back.

CM Gardner: I’m fine with it. I moved the other one forward. I think having the full Council to discuss them both is appropriate.

CM Gruber: I also recommend moving this forward and like the other proposal there were many questions that will need to be resolved at Study Session as opposed to the Management and Finance Policy Committee.

Outcome
Council Member Gruber and Council Member Gardner voted yes and Council Member Marcano voted no. Based on the vote the Committee recommended that this item be forwarded to Study Session.

Follow-up Action
Staff will forward this item to Study Session.

PROPOSED BACKGROUND CHECK ORDINANCE
Council Member Bergan has proposed a background check ordinance for all Council Members and stated the intent of this proposed ordinance is to ensure transparency to the voters in Aurora. Our voters should have confidence in knowing the candidate’s background, specifically whether or not they have had criminal charges. The candidate must provide the criminal background history, therefore there is no cost to taxpayers.
Committee Discussion
CM Gardner: So, when would this process happen? Will it happen after the election?

CM Bergan: Yes, and actually that is a really good question CM Gardner because we have things drafted by our attorneys as you know, and I had originally asked for this to be prior to them even being placed on the ballot. Therefore, I might change this, but this is how it is right now. Currently this is just confirmation of their eligibility to be seated. So, the election could happen and let’s say they have a criminal record that was not discoverable or wasn’t found out before. This would come up prior to them being seated for the first council meeting in December. I would imagine that if they had a criminal record which is against the rules to be a Council Member that you can’t have a felony, then it would go to the City Manager.

CM Gardner: So, that’s what my idea was basically. Maybe when you send your signatures as part of the process to get on the ballot you also submit the background check. Because I guess I’m trying to foresee that you have the election and initially this comes up. It’s going to throw things into a lot of chaos whereas we can be more proactive before that person even gets on the ballot. That’s just a thought.

CM Bergan: Thank you. I’m actually open to that. I think we had several versions going back and forth and the attorneys saying what I could do and couldn’t do. Honestly, I actually agree with you. I probably will go back to the drawing board with this to consider doing it prior to them being actually put on the ballot. If it’s done after as it’s written right now, then like you brought up there’s all the consequences of what do we do with a person that has a felony that’s won an election? So very well taken.

CM Gardner: Okay. Well then, I guess that really answers my other two questions. Because one of them was okay so we find out someone has a felony after the election then what happens? And then my other question was if it’s not provided in a timely manner what do our rules says about that? But if we’re doing it as part of the process before you even get on the ballot then that’s neither here nor there. So that’s all my questions.

CM Marcano: So, I guess I’m curious to what spurred this.

CM Bergan: Sure. For me it was transparency for the voters, and which is why CM Gardner’s point is one that I need to really consider. It was too make sure that the voters knew who they were voting for and to make sure that we do not have someone seated who has a criminal background. I mean it’s that simple.

CM Marcano: Interesting. Okay, what has spurred this specifically now?

CM Bergan: I thought about it in the last couple years. Elections have developed and obviously our city is growing. There’s lots of people that are running for office. I think what spurred it for me in the last election for the mayoral race there was a woman who submitted her signatures then didn’t have enough signatures and there were a lot of questions and that kind of spurred me to consider what could be done to make sure we have candidates that are eligible.
CM Marcano: Okay. So nationwide what we’re really seeing I think is something that flies in the face of and I’m not sure if you’re familiar with the “Ban the Box.” Kind of methods for like employment for example, which actually has shown benefit’s through folks who are seeking employment by eliminating employment discrimination. My concern is that this is going to lead to inherently discriminatory situation especially as we see more candidates of color. And I also have a problem with basically requiring folks to pay for a background check. Even though I don’t think those are too terribly expensive but basically adds another small hurdle for folks to file, so I don’t really like setting that precedent. Do you follow?

CM Bergan: Sure. So, the reason for having the candidate to pay for it is so that the taxpayers will not be burdened for that criminal background check. I think also since we just had campaign finance come up and where you’re really trying to reduce the limits. So maybe if we didn’t reduce the limits, they would have somebody contribute to the campaign to pay for the background check. And then regarding your “Ban the Box” I don’t know anything about that, but this is not to discriminate against anyone unless you think that someone with a felony should be an elected official representing the taxpayers then on that point you and I disagree.

CM Marcano: Sure, and I guess let’s just put it on the record. I do think that banning people because of mistakes they made prior in their life is inherently discriminatory and that’s something that shouldn’t be in our Charter either. I think that’s something we should definitely have a discussion about, and I look forward to that.

CM Bergan: So currently are you allowed to be on City Council with a felony?

CM Marcano: I guess we can ask Legal.

D. Latthers: The Charter says you can’t have a felony but there is really no mechanism in place to monitor that.

CM Bergan: So, you can’t have a felony. Therefore, I’m basically verifying that they don’t have a felony.

CM Berzins: Remember I told you I have run for office five times. I’ve had to have background check and fingerprinted so this is not unusual, and we use to do this all the time. I’m trying to remember at what point and I do think it had something to do with when the signatures were turned in. They fingerprint over at the jail right next to the City building and that’s where I went. I also want to let you know many cities are doing this now. I learned at National League of Cities that to pay for it they have a small filing fee, an administrative fee, which is not unusual for anything we do today. Of course, you can pay for it or your campaign can pay for it, but it did have that small filing fee that they can use so the citizens don’t have to pay for it. But that has been on the radar for National League of Cities and many cities already have it in place. They want to be transparent and know who wants to be making decisions for the city and they felt like this is a good way to do it. I don’t know how background checks are changed. I don’t know but honestly it was no big deal and it was transparent for our citizens to know who they were going to vote for.

CM Coombs: So, it sounds like there’s a significant change happening here that we want to do it before someone is running versus before they’re seated and that’s fine. It seems like this is something
where the intent is to confirm that someone doesn’t have a felony. But the result is, that we’re asking them to submit a full background check which may include misdemeanor traffic offenses and things like that. So is there a way to clarify that the only thing someone would do is to provide documentation confirming that they don’t have a felony. Because personally if you looked at my criminal background check it would be awfully boring. But some people it may not be the case for them and there may be mistakes that people made in their lives that are not disqualifying. I do agree with CM Marcano that even if those mistakes resulted in a felony charge that they shouldn’t be disqualified. But that’s in the Charter so that’s a separate discussion for a separate day. But in the meantime, I don’t think that you should require that every misdemeanor traffic offense or other minor mistakes someone has made between the age of 18 and running for office be put out there for the world to see. Because again, I think then we’re trying people for things they’ve already gone through the process of doing the time for, if you will.

CM Bergan: Sure, and I appreciate that CM Coombs. I guess I wasn’t looking necessarily for minor misdemeanors. I was looking for egregious crimes so the public would have knowledge of that before. So, I’m going to end up having to pull this to redo it. I appreciate all the comments and will take those into consideration.

CM Gruber: CM Bergan let me understand that you are pulling this, and you don’t want a vote from the Committee.

CM Bergan: Correct. I’m going to have it changed and I’ll have to bring it back.

Outcome
CM Bergan pulled her agenda item for changes and it be brought back to the Committee at a later date.

Follow-up Action
CM Bergan will bring the agenda item back to the Management and Finance Policy Committee.

---

**IT CARES SPENDING**

Scott Newman, Interim Chief of Information Technology presented an overview of the technology solutions and items that were purchased with the CARES funding.

CM Gruber: Our vulnerability to threat that you talked about earlier, I’m concern about ransomware since some of the other Colorado cities have been hit with that. Through this or through other means, have we taken action to better protect ourselves against ransomware?

S. Newman: Yes sir, the End Point detection and Response is specifically for the ransomware threat factor as well as the Configuration and Patch Management. Both of those hand in hand specifically are targeted more towards the ransomware threat and being able to help mitigate that. Again, it wouldn’t necessarily stop it immediately from one or two computers, but it should help contain the damage so that its only a limited set of computers instead of all of them.

Committee Discussion
CM Marcano: No questions, but I want to thank you all for being proactive with CARES money and helping us catch up on more tech issues.
CM Gruber: Scott, appreciate the work you have done. You may have known I’ve talked to cyber security at Colorado State University. What you are doing is the state of the art and best practice, so I appreciate what you’re doing for the City. Thank you.

T. Velasquez: CM Gruber, I wanted to add one more thing to Scott’s presentation. He did include for the Committee the one-time and on-going cost breakdown on this. So, CARES money will cover it for 2020. I wanted to point out for 2021 the on-going component will be a budgetary item that we’ll have to prioritize and look at ways that we can continue these softwares and services. So, I just wanted to bring that up.

CM Gruber: That explains why there wasn’t an ask at our Saturday workshop. Normally, Information Technology has some pretty important asks. So, thank you Terri.

Outcome
The Committee thanked staff.

Follow-up Action
No follow up is necessary as this item was informational only.

EXTERNAL AUDITOR CONTRACT
Nancy Wishmeyer, Controller presented and stated the City will need a new contract in place for the 2021 yearend audit (which will begin late fall 2021). BKD has provided the attached proposal for audit services for the next five years. In order to provide a new perspective to the audit, but still have staff continuity, BKD proposes a change in the concurring partner, the audit partner, and the audit manager. The proposal includes competitive and consistent pricing: the 2021 price remains the same as the 2020 price and 2% price increases for years 2022 – 2025.

There are a limited number of top tier firms performing governmental audits in the Denver metro area. BKD is one of the most prominent firms in the area, and in the nation, specializing in audits of governmental entities. Expertise in this specialized field is essential for a thorough and well executed governmental audit.

Does the Committee recommend BKD, LLP for external audit services for the next 3 years, 2021 -2023, with an option to extend for 2 more years through 2025?

Committee Discussion
CM Gruber: Nancy, my question is this protestable? Could this make us vulnerable to a violation of our own acquisition rules.

N. Wishmeyer: I don’t believe so because we were able to move forward by doing some additional work by looking at firms to see if there is competitive pricing for the requested information. And if we were to do a competitive process it is unlikely we would get anything better out of that.

CM Gruber: So, what you’re simply saying it’s about a process that’s different from an open competition and so it’s in the City’s best interest to bypass the process of a full and open competition.
N. Wishmeyer: Yes, that’s correct.

CM Gardner: I don’t have a question, but I do have a comment. I know BKD very well and the fact they are changing the audit partner makes me feel a little bit more comfortable. But I do have a little heartburn with the fact that we have used this firm since 2006 and we’re not at least pricing it out for another three years so that point we’ll be going on nearly 20 years. So, I just want to say that assuming we are following our usual or at least following our policy when it comes to contracts, I’m okay moving it forward.

CM Marcano: I want to thank staff for taking comments which were expressed at our first meeting of the year about utilizing the same firm and the same team specifically, so I am happy to see the change. I did think the pricing makes sense so if everyone is good, I’m good to move it forward.

CM Gruber: I’m also good with moving it forward. However, I do want the minutes to reflect that it’s in the City’s best interest to bypass are normal process on this.

T. Velasquez: I will add the Finance area does have some exceptions in our purchasing rules and certain contracts like this such as banking services are also treated very similar. We do look at other pricing and those types of comparisons and when we feel it’s the best interest of the City, we do make these types of recommendations. So, this is in line with that same process.

Outcome
The Committee recommended this item be moved forward for full Council approval.

Follow-up Action
Staff will forward to the Regular Session.

COLORADO SALES AND USE TAX SIMPLIFICATION SYSTEM
Summary of Issue and Discussion
Previously the Committee was presented with information regarding simplification actions taking place prior to adoption of economic nexus. The State has activated the Sales and Use Tax Simplification System and has presented the city with an Intergovernmental Agreement for participation in that system. The Colorado Municipal League also worked with home rule cities in drafting model language for economic nexus.

With Colorado Senate Bill 19-006 the legislature directed the Department of Revenue to develop a Sales and Use Tax Simplification System. The system developer was selected through a request for proposal by the State. The Sales and Use Tax simplification system (SUTS) will allow a business to file sales tax returns on a single site for all taxing jurisdictions in the state. The simplification measure will also allow the city to adopt a provision requiring vendors with economic nexus and not only physical nexus to collect sales tax. The adoption of economic nexus is much more likely to pass a court test under the ruling in Wayfair vs. South Dakota if simplification measures are in place. In July, the city adopted a marketplace facilitator ordinance but held off on adopting economic nexus until the SUTS system was operational. The State’s vendor for the system, Munirevs has indicated they are ready to begin work on an integration with the city’s tax software. This integration price was negotiated by the State and is $17,500. It is believed that this cost will be more than offset by
revenues from adopting economic nexus. The integration work can also start prior to signing the IGA. An additional simplification measure as part of the SUTS system is a single address location system that is being developed by another state vendor and also includes a taxability matrix. This is an improvement over the current address location system vendors certified by the state. The city currently has ordinance language regarding a hold harmless provision for vendors that currently rely on those systems for sourcing sales tax collection. While the figure is very difficult to estimate, the adoption of economic nexus may result in up to one to two million dollars of additional revenue per year. Most of the internet retail space already remits sales tax to the city. Moving forward staff would recommend agreeing to the $17,500 for the integration and starting work immediately on that project. Next a resolution would be brought forward for approval of the SUTS IGA and an ordinance for adoption of economic nexus with a hold harmless clause for the address locator and taxability matrix. Currently 29 home rule cities have approved the IGA.

1. Does the Committee approve of sending the IGA for participation in the SUTS system for full council consideration?

2. Does the Committee approve of drafting an ordinance incorporating the model economic nexus language and bringing this forward for full council consideration?

3. Does the Committee approve of the $17,500 expense offset by additional revenue for integration with the SUTS system?

Committee Discussion

CM Gruber: Garrett, the Committee received the letter that the Business Advisory Board drafted, did you have any other thoughts on this?

Garrett Walls, Business Advisory Board: No, Trevor did a good job with summing up. Just the concern was voiced by several members talking about qualifying for nexus in state and that it’s a double-edged sword. We definitely appreciate the efficiency move to the system and were fully in support of that. We just want there to be some sort of training and support component potentially by the SBDC (Small Business Development Center) or state agencies. To help retailers understand for an example if you’re shipping to Grand Junction you need to be collecting Grand Junction sales tax or Mesa County sales tax as it applies, which is probably collected in state sales tax. So that was our concern. We didn’t want a whole bunch of retailers that are shipping products across the state to all of sudden be out of compliance with any of these sales tax collection practices. Therefore, we need some education.

CM Gruber: As we move this forward and I suspect it will move forward but that would be having SBDC available to speak at Study Session. I think would be an important move. Trevor, I have a question for you. When we discussed this before we talked about the TABOR impact and that as a home rule city Aurora has the ability to tax certain things a certain way. This combined system is combining things across the state which may or may not include the same tax that Aurora has on Aurora products. How’s that dealt with?

T. Vaughn: So how that’s dealt with is actually it doesn’t change what tax is applied to. All its doing is providing a centralized place to file and pay the taxes, so it does not unify the base across the state. Wayfair said you don’t have to have the same tax rate there. I don’t know that the question regarding
unification or uniformed base was really addressed in Wayfair. That’s potentially an area that a retailer may say that there’s a challenge there. However, in a lot of states there are some situations where there are some different tax abilities, but Colorado is particularly complicated with that situation where jurisdictions will just vary from one place to the other. What we did do as a city is we adopted standardized definitions and then that taxability matrix is being compiled as part as that state’s system so vendors would be able to look and see and hopefully things are defined the same. They can see if an item is taxed in this city or if it’s not taxed and try to adjust as they do that. The software out there has become a lot better and the retailers have become a lot more sophisticated and software vendors have offered products which adjust for that. As far as this goes this is all about enforcement of Aurora’s existing tax code. There’s not a change with the tax code, it is about enforcement and therefore no TABOR impact.

CM Gruber: Thank you. I appreciate all the work that you folks have done on this. This has moved a long way and bringing in an extra couple million dollars is always going to be a helpful to the City, so I appreciate that.

The Committee recommended that this item be moved forward unanimously.

**Outcome**
The Committee recommended that this item be moved forward to Study Session.

**Follow-up Action**
Staff will forward this to Study Session.

---

**PROPOSED ORDINANCE TO AMEND THE EXECUTIVE RETIREMENT PLAN**

Terri Velasquez, Finance Director presented. The proposed ordinance allows the City Manager or designee to enter into appropriate agreements, on behalf of the city, with any service provider qualified to offer retirement services. Currently only one vendor, the International City Managers' Association Retirement Corporation ("ICMA-RC"), is authorized to establish and maintain a retirement plan for executive personnel of the city that is qualified under Internal Revenue Code Section 401(A).

**Committee Discussion**
CM Gruber: So then just leave it up in the City Manager’s hands.

T. Velasquez: Yes. It allows us to go through a similar process as we do with our 457 where we can look at either an RFP or RFI to do a more competitive review of the plan fees as well as the investment offerings. So, this will be something the City Manager or his designee could determine.

There were no more questions and this item was recommended to be moved forward unanimously.

**Outcome**
The Committee recommended that this item be moved forward to Study Session.

**Follow-up Action**
Staff will forward this item to October 5, 2020 Study Session.
UPDATE ON CITY CASH, INVESTMENTS, AND FINANCING
Andrew Jamison, Debt and Financing Administrator stated on a reoccurring basis, staff provides the Management and Finance Policy Committee informational updates on the status of the investment portfolio, an assessment of the City's cash position, and review of recent debt transactions. In light of the ongoing challenges stemming from the COVID-19 crisis, staff is providing these updates on more frequent basis.

Since the onset of the pandemic, staff has increased the portfolio cash & equivalent allocations target to 10-15% from 3-5% to provide additional operating flexibility. Over this period, the portfolio has grown slightly from $585 million to $613 million. The current yield on the portfolio is 1.79%; this will steadily decline as market interest rates have decreased dramatically. For example, bonds were purchased in July at a yield of 0.50% and yields on government money market funds are less than 0.10%.

The portfolio has not encountered any downgrades since the last update in April. However, ratings agencies have adopted negative outlooks on several sectors in the portfolio primarily due to increased fiscal challenges from the pandemic. The sectors include the US Government, US Agencies, Corporate Financials (US Bank, Wells Fargo), and several Municipal Issuers (New York, Denver). Staff and the investment advisor are monitoring these holdings and do not recommend selling any investments at this time.

The debt team is in the process of issuing Certificates of Participation to finance construction of the Southeast Recreation Center. On September first, S&P Global Ratings affirmed its ‘AA’ Appropriations rating on The City’s COP debt. S&P’s implied Aurora Issuer rating is ‘AA+’. As illustrated in the attached report, S&P highlighted Aurora’s strong financial management, economy, budgetary flexibility, and liquidity profile.

T. Velasquez stated I did want to add, we did have a real minor situation on the Southeast Recreation Center when we went to do the title search for that particular COP. We found that there are some restrictions by the federal government when they did that land transfer. In order to get around that and keep our transaction moving forward, we talked to the City Manager and he agrees we’ll do a pledge of a portion of the Aurora Municipal Center (AMC) building to move that transaction forward. That was not how we had originally contemplated this transaction. However, once we clear up the issue with the federal government which basically the Department of Interior has to do an approval of the use of the land of the Southeast Recreation Center. Once that’s cleared up, then the AMC will be freed up again. But I did want to make the Committee aware of this since the financing ordinance that was originally presented to the Committee did not include that as the collateral for that transaction.

Committee Discussion
CM Gruber: I noticed that the S&P global report was outstanding. I noticed how well they rated the City and the fact that we haven’t dipped into any of our rainy-day funds and that our credit was very strong. Terri, we’re you surprised about this? Did you see this coming that we would be as strong after COVID as we are?
T. Velasquez: Well, I do credit this as Andrew said to our financial management and it’s the fact that Council has been supportive of the city ‘s financial proposals and taken measures very quickly. Rating agencies have more concerns when they don’t see cities or an organization taking the appropriate action and especially when they see agencies that are only doing temporary measures especially if you have an ongoing issue. What we saw here though was that Greg did a great presentation with the rating agencies and all the fiscal actions that have been taken by Council including actions for the 2021 budget and in doing so the rating agencies felt a lot of confidence in our ability to manage this crisis. So, it was a great job to the team; Andrew, Greg, Carol and Nancy and also to our leadership, ultimately to City Council, for making the tough decisions.

CM Gruber: Thanks, I want to congratulate you on that. Several cities are getting hammered on their ratings because they weren’t as aggressive as you folks were in recommending changes. So, congratulations for that.

CM Marcano: I just want to say that I’m frankly amazed how talented our financial staff is. You all have put together a very comprehensive strategy and it’s serving us well. So, thank you on your work and dedication.

CM Gardner: Quick question the target for the cash is at 10% to 15% and we’re kind of at the low end of that. Are you expecting to move additional maturities into cash or are we going to kind of wait and see what develops over the next couple of months, or what are your thoughts there?

A. Jamison: No plans to actively move anything to cash. In the booklet you can see we always have a large amount of cash rolling off the portfolio. In addition, usually this time of the year you can think about how the Water revenue cycle works that a lot of these water bills are coming in and so we tend to accumulate the cash seasonally anyhow. And so, we’re pretty comfortable at that 10% level. It’s much higher than we would be ideally if it wasn’t in a crisis so we’re pretty comfortable at that level.

CM Gardner: Okay. And kudos to our finance and budget staff. I think we all know what a great job you all do so thanks for the update on this.

**Outcome**
The Committee thanked staff.

**Follow-up Action**
No follow up is necessary as this item was informational only.

---

**MISCELLANEOUS MATTERS FOR CONSIDERATION**

**Summary of Issue and Discussion**

- The next meeting is on Tuesday, October 27, 2020 at 1:00 PM (WebEx).
THESE MINUTES WERE APPROVED AS SUBMITTED

______________________________  ________________
David Gruber, Chair of the Management & Finance (M&F) Committee  Date
## Management and Finance Policy Committee
### Agenda Item Commentary

**Item Title:** Sales Tax Chart;  
**Item Initiator:** Greg Hays  
**Staff Source:** Greg Hays, Budget Officer  
**Deputy City Manager Signature:** Roberto Venegas  
**Outside Speaker:**

**Council Goal:** 2012: 6.0 -- Provide a well-managed and financially strong City

### ACTIONS(S) PROPOSED (Check all appropriate actions)
- [ ] Approve Item and Move Forward to Study Session  
- [ ] Approve Item and Move Forward to Regular Meeting  
- [x] Information Only

### 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 September sales tax performance chart. September of 2020 was 6.6 percent higher than September of 2019.

### QUESTIONS FOR Committee
Information only

### EXHIBITS ATTACHED:
- Sales Tax Chart_Sep (FINAL).pdf
September 2020 Sales Tax Performance

Percent Change from Prior Year By Month

<table>
<thead>
<tr>
<th>Month</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep</td>
<td>4.8%</td>
<td>4.1%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Oct</td>
<td>7.7%</td>
<td>13.9%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Nov</td>
<td>7.8%</td>
<td>11.0%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Dec</td>
<td>2.5%</td>
<td>1.7%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Jan</td>
<td>5.3%</td>
<td>1.7%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Feb</td>
<td>7.0%</td>
<td>1.4%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Mar</td>
<td>7.6%</td>
<td>-12.6%</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Apr</td>
<td>10.0%</td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>May</td>
<td>7.7%</td>
<td>6.6%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Jun</td>
<td>5.8%</td>
<td>11.0%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Jul</td>
<td>11.3%</td>
<td>11.0%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Aug</td>
<td>19.5%</td>
<td>10.9%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Sep</td>
<td>14.0%</td>
<td>6.6%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Oct</td>
<td>4.1%</td>
<td>1.4%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Nov</td>
<td>0.7%</td>
<td>1.4%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Dec</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>
Management and Finance Policy Committee
Agenda Item Commentary

<table>
<thead>
<tr>
<th>Item Title:</th>
<th>FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO APPROPRIATING SUMS OF MONEY IN ADDITION TO THOSE APPROPRIATED IN ORDINANCE NOS. 2019-82, AND 2020-44 FOR THE 2020 FISCAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item Initiator:</td>
<td>Kerstin Claspell</td>
</tr>
<tr>
<td>Staff Source:</td>
<td>Kerstin Claspell, Lead Financial Analyst</td>
</tr>
<tr>
<td>Deputy City Manager Signature:</td>
<td>Roberto Venegas</td>
</tr>
<tr>
<td>Outside Speaker:</td>
<td></td>
</tr>
<tr>
<td>Council Goal:</td>
<td>2012: 6.0--Provide a well-managed and financially strong City</td>
</tr>
</tbody>
</table>

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

- [x] Approve Item and Move Forward to Study Session
- [ ] Approve Item and Move Forward to Regular Meeting
- [ ] Information Only

**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.)*

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

One of the first steps of the annual budget process is to prepare an updated projection of current year requirements. During this process revenue adjustments, potential savings, as well as new and additional requirements are identified and serve as the basis for the majority of supplemental appropriation requests.

The 2020 Fall Supplemental Appropriation Request includes operating expenditures and capital projects that require appropriation adjustments for 2020 in the funds listed in Attachment A. Nearly all of the requests were identified and included in the 2020 projection in the 2021 Proposed Budget document. Alternatively, several items that were identified and projected are not included in this fall process. Those items that are subject to change will be included in the 2021 spring supplemental as needed.

The vast majority of requests included in this supplemental process have been previously reviewed by Council or Council Committee. Council review includes items included in the 2020 projection and reviewed as part of the 2021 Proposed Budget as well as items reviewed at either a Council Committee meeting or City Council meeting.
Many of the 2020 fall supplemental requests are associated with COVID-19-related balancing efforts. Budget reductions in the Capital Projects Fund will increase available funds and reduce the General Fund transfer to the Capital Projects Fund, helping to balance the General Fund. Uncertainty in the economy related to COVID-19 and future revenues has led to a conservative spending approach in other funds as well. Completed capital projects, and those that can be deferred, reduced, or eliminated were identified. Related budget reductions were included in the 2020 projection as part of the 2021 Proposed Budget. These items are indicated by including “2020 Balancing” in the title. Technical items are typically reallocations or zero-dollar amendments with appropriation offset by revenue, and accounting or other adjustments. These items are indicated by including “technical” in the title and may or may not have been reviewed by Council. Council review details are included in the narrative for each supplemental request.

The attachments for this agenda item reflect summary and detail information regarding the requested appropriation changes for each fund and department. Transfers result in a move of funding from one fund to another. The details of these appropriation amendments are found in:

- Attachment A: 2020 Appropriation Summaries by Fund; and
- Attachment B: 2020 Appropriation Detail by Fund.

The following discussion will identify and focus on significant changes included for this budget year, rather than the list in its entirety. Please see attachment B for details on each request.

**2020 Supplemental Amendment Requests**

Appropriation requests related to 2020 balancing total **$13.9 million** across various funds and include completed, deferred, reduced, and eliminated projects:

- **Capital Projects Fund:** Reduction (lapse) of **$4.9 million** for various projects to include the completion of Fire Station 15, Median Development in PROS, and ADA Assessment and Light Rail Restrooms in Public Works.
- **Open Space Fund:** Reduction (lapse) of **$5.0 million** for various PROS projects to include Triple Creek Trail, Central Community Park, and Signature Park.
- **Conservation Trust Fund:** Reduction (lapse) of **$3.1 million** for various PROS projects to include Central Community Park, Olympic Park Infrastructure, and Aurora Reservoir Gazebo.
- **E-911 Fund:** Reduction (lapse) of **$885,000** for the deferred Public Safety Communications Console Replacement project.

Other significant supplemental items include:

- The appropriation of capital grant awards totaling **$1.9 million** in the Gifts and Grants Fund for various PROS projects, including Parklane Pool renovation.
- The appropriation of one-time CDBG COVID-19 grant receipts of **$1.7 million** in the Community Development Fund to help prevent, prepare for, and respond to the coronavirus.
- The transfer of **$1.5 million** from the General Fund to the Capital Projects Fund and the appropriation of **$1.7 million** in the Capital Projects Fund for the I-70/Picadilly Interchange project.
• The appropriation of **$1.2 million** in the Capital Projects Fund for the design of two Southeast Aurora Regional Improvement Authority (SARIA) projects: Gartrell Bridge and Aurora Parkway Bridge. This phase is fully funded by SARIA.

• The appropriation of cash receipts totaling **$889,400** in the Capital Projects Fund for street maintenance equipment in accordance with the Fitzsimons Redevelopment Authority IGA.

Detail for all supplemental items can be found in Attachment B.

**QUESTIONS FOR Committee**
Does the Committee wish to send this item forward to study session?

**EXHIBITS ATTACHED:**

2020 Fall Supplemental Attach A and B M and F Final.pdf
2020 Fall Amendment Ordinance
Appropriation Summaries by Fund

2020 Amendment Summary
Attachment A
## Appropriation Summary by Fund and Department
### 2020 Amendment Summary

<table>
<thead>
<tr>
<th>Fund/Department</th>
<th>FTE Request</th>
<th>Net Total Appropriation</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) 2 in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Fund Total</strong></td>
<td>0.00</td>
<td>1,509,835</td>
<td>0</td>
<td>-1,509,835</td>
</tr>
<tr>
<td>Non-Departmental</td>
<td>0.00</td>
<td>1,509,835</td>
<td>0</td>
<td>-1,509,835</td>
</tr>
<tr>
<td><strong>Capital Projects Fund Total</strong></td>
<td>0.00</td>
<td>-741,827</td>
<td>3,263,492</td>
<td>4,005,319</td>
</tr>
<tr>
<td>Fire</td>
<td>0.00</td>
<td>-451,900</td>
<td>0</td>
<td>451,900</td>
</tr>
<tr>
<td>Information Technology</td>
<td>0.00</td>
<td>-319,378</td>
<td>0</td>
<td>319,378</td>
</tr>
<tr>
<td>Non-Departmental</td>
<td>0.00</td>
<td>12,584</td>
<td>1,489,044</td>
<td>1,476,460</td>
</tr>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>0.00</td>
<td>-1,094,023</td>
<td>0</td>
<td>1,094,023</td>
</tr>
<tr>
<td>Public Works</td>
<td>0.00</td>
<td>1,110,890</td>
<td>1,774,448</td>
<td>663,558</td>
</tr>
<tr>
<td><strong>Community Development Fund Total</strong></td>
<td>0.00</td>
<td>2,092,860</td>
<td>2,092,860</td>
<td>0</td>
</tr>
<tr>
<td>Housing and Community Services</td>
<td>0.00</td>
<td>2,092,860</td>
<td>2,092,860</td>
<td>0</td>
</tr>
<tr>
<td><strong>Conservation Trust Fund Total</strong></td>
<td>0.00</td>
<td>-3,141,113</td>
<td>0</td>
<td>3,141,113</td>
</tr>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>0.00</td>
<td>-3,141,113</td>
<td>0</td>
<td>3,141,113</td>
</tr>
<tr>
<td><strong>Designated Revenues Fund Total</strong></td>
<td>0.00</td>
<td>6,380</td>
<td>0</td>
<td>-6,380</td>
</tr>
<tr>
<td>Public Works</td>
<td>0.00</td>
<td>6,380</td>
<td>0</td>
<td>-6,380</td>
</tr>
<tr>
<td><strong>Enhanced E-911 Fund Total</strong></td>
<td>0.00</td>
<td>-885,000</td>
<td>0</td>
<td>885,000</td>
</tr>
<tr>
<td>Information Technology</td>
<td>0.00</td>
<td>-885,000</td>
<td>0</td>
<td>885,000</td>
</tr>
<tr>
<td><strong>Gifts &amp; Grants Fund Total</strong></td>
<td>0.00</td>
<td>1,945,000</td>
<td>1,945,000</td>
<td>0</td>
</tr>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>0.00</td>
<td>1,945,000</td>
<td>1,945,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Open Space Fund Total</strong></td>
<td>0.00</td>
<td>-4,951,961</td>
<td>0</td>
<td>4,951,961</td>
</tr>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>0.00</td>
<td>-4,951,961</td>
<td>0</td>
<td>4,951,961</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>0.00</td>
<td>($4,165,826)</td>
<td>$7,301,352</td>
<td>$11,467,178</td>
</tr>
</tbody>
</table>

1 The revenue offset includes new revenue and revenue from transfers.

2 Inc./Dec in Fund Balance = New Revenue minus Net Appropriation.
2020 Fall Amendment Ordinance
Appropriation Detail by Fund

2020 Amendment Detail
Attachment B
## Department \ Description - Reason for Appropriation

### Fire

#### 2020 Balancing - Lapse of Fire Station 15 Funding

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-451,900</td>
<td>-451,900</td>
<td>0</td>
<td>451,900</td>
</tr>
<tr>
<td>Total Appropriation Impact</td>
<td>0.00</td>
<td>$0</td>
<td>($451,900)</td>
<td>($451,900)</td>
<td>$0</td>
<td>$451,900</td>
</tr>
</tbody>
</table>

Fire Station 15 was replaced in May 2018 and the project came in under budget. This supplemental lapses the remaining capital budget for this project for 2020 balancing. This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

### Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire</td>
<td>Capital Projects Fund</td>
<td>-451,900</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
## Housing and Community Services

### Technical: 2020 Community Development Block Grant (CDBG) Award Reconciliation

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Appropriated</th>
<th>CIP Appropriated</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Fund</td>
<td>0.00</td>
<td>86,378</td>
<td>0</td>
<td>86,378</td>
<td>86,378</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact:**

- FTE: 0.00
- Operating Appropriation: $86,378
- CIP Appropriation: $0
- Appropriation Total: $86,378
- Revenue Offset: $86,378
- Inc. / (Dec.) in Fund Bal.: $0

This technical adjustment will align the budget for the Community Development Block Grant to the 2020 actual award amount. The final 2020 CDBG award received from HUD was 3.0 percent, or $86,378, higher than anticipated.

This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

### Technical: 2020 Community Development Block Grant (CDBG) COVID-19 Grant

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Appropriated</th>
<th>CIP Appropriated</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Fund</td>
<td>0.00</td>
<td>1,729,114</td>
<td>0</td>
<td>1,729,114</td>
<td>1,729,114</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact:**

- FTE: 0.00
- Operating Appropriation: $1,729,114
- CIP Appropriation: $0
- Appropriation Total: $1,729,114
- Revenue Offset: $1,729,114
- Inc. / (Dec.) in Fund Bal.: $0

In July 2020, the City of Aurora received a one-time CDBG COVID-19 grant in the amount of $1,729,114 to help prevent, prepare for and respond to the coronavirus. This technical supplemental will appropriate those funds to allow for additional expenditures in carrying out the grant.

This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

The city will be receiving an additional CDBG COVID-19 grant in the amount of $1,752,084 in the coming months. The appropriation of those funds will be requested in a spring supplemental when a signed grant agreement has been received.
### Housing and Community Services

#### Technical: 2020 HOME Investment Partnership (HOME) Grant Award Reconciliation

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Appropriation</th>
<th>CIP Appropriation</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Fund</td>
<td>0.00</td>
<td>256,577</td>
<td>0</td>
<td>256,577</td>
<td>256,577</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

<table>
<thead>
<tr>
<th>FTE</th>
<th>Operating Appropriation</th>
<th>CIP Appropriation</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>256,577</td>
<td>0</td>
<td>256,577</td>
<td>256,577</td>
<td>0</td>
</tr>
</tbody>
</table>

This technical adjustment will align the budget for the Home Investment Partnership (HOME) grant to the 2020 actual award amount plus the actual year-to-date program income. The final 2020 HOME award received from HUD was 8.2 percent, or $92,402, higher than anticipated. Actual program income received year-to-date through August is $164,175 more than budgeted due to a stronger than anticipated year of loan repayments.

This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing and Community Services</td>
<td>Community Development Fund</td>
<td>0</td>
<td>256,577</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>

#### Technical: Increase HOME Match for Community Development Funds Based on Final 2020 Grant Amount

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Appropriation</th>
<th>CIP Appropriation</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Fund</td>
<td>0.00</td>
<td>20,791</td>
<td>0</td>
<td>20,791</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>General Fund</td>
<td>0.00</td>
<td>20,791</td>
<td>0</td>
<td>20,791</td>
<td>0</td>
<td>-20,791</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

<table>
<thead>
<tr>
<th>FTE</th>
<th>Operating Appropriation</th>
<th>CIP Appropriation</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>41,582</td>
<td>0</td>
<td>41,582</td>
<td>20,791</td>
<td>($20,791)</td>
</tr>
</tbody>
</table>

This technical adjustment will align the General Fund HOME match to the 2020 actual award amount. The city is required to provide a match to the HOME grant equal to 22.5 percent of the annual award. The final 2020 HOME award received from HUD was 8.2 percent, or $92,402 higher than anticipated, increasing the General Fund match by $20,791.

This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Departmental</td>
<td>General Fund</td>
<td>0</td>
<td>20,791</td>
<td>Operating Transfer Out</td>
</tr>
<tr>
<td>Housing and Community Services</td>
<td>Community Development Fund</td>
<td>0</td>
<td>20,791</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>
## Attachment B
### 2020 Fall Amendment Ordinance
#### 2020 Appropriation Amendment Requests

### Information Technology

#### 2020 Balancing: Defer Public Safety Communications Console Replacement

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhanced E-911 Fund</td>
<td>0.00</td>
<td>0</td>
<td>-885,000</td>
<td>-885,000</td>
<td>0</td>
<td>885,000</td>
</tr>
</tbody>
</table>

Total Appropriation Impact: 0.00 $0 ($885,000) ($885,000) $0 $885,000

This supplemental lapses the capital appropriation for the Public Safety Communications Center console replacement. The project has been delayed until 2021 to assist in balancing the E-911 Fund in 2020. This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

Total Appropriation Impact (Does not include offset impact):

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology</td>
<td>Enhanced E-911 Fund</td>
<td>-885,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

#### 2020 Balancing: Lapse of City of Aurora Public Safety Training Center (CAPSTC) Track Shelter

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-280,000</td>
<td>-280,000</td>
<td>0</td>
<td>280,000</td>
</tr>
</tbody>
</table>

Total Appropriation Impact: 0.00 $0 ($280,000) ($280,000) $0 $280,000

This supplemental will lapse funds for the deferred CAPSTC track shelter project as part of the 2020 balancing efforts. This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

Total Appropriation Impact (Does not include offset impact):

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology</td>
<td>Capital Projects Fund</td>
<td>-280,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

#### 2020 Balancing: Lapse of Learning Management System Project

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-39,378</td>
<td>-39,378</td>
<td>0</td>
<td>39,378</td>
</tr>
</tbody>
</table>

Total Appropriation Impact: 0.00 $0 ($39,378) ($39,378) $0 $39,378

This supplemental will lapse the remaining capital project appropriation for the implementation of the city’s learning management system for 2020 balancing. This project has reached completion. This supplemental was included as part of the 2020 projection shown in the 2021 Proposed Budget.

Total Appropriation Impact (Does not include offset impact):

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology</td>
<td>Capital Projects Fund</td>
<td>-39,378</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
Attachment B
2020 Fall Amendment Ordinance
2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Non-Departmental

2020 Balancing - Lapse of Art in Public Places (AIPP) Funding

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-300,000</td>
<td>-300,000</td>
<td>0</td>
<td>300,000</td>
</tr>
</tbody>
</table>

Total Appropriation Impact 0.00 $0 ($300,000) ($300,000) $0 $300,000

This supplemental lapses the Metro Center Tunnel AIPP project from the 2020 budget for 2020 balancing. This was noted as such in the 2020 projection of the 2021 Proposed Budget.

Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Departmental</td>
<td>Capital Projects Fund</td>
<td>-300,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

2020 Balancing - Lapse of Completed Dayton Street Project Funding

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-75,000</td>
<td>-75,000</td>
<td>0</td>
<td>75,000</td>
</tr>
</tbody>
</table>

Total Appropriation Impact 0.00 $0 ($75,000) ($75,000) $0 $75,000

This supplemental lapses the remaining budget of the completed Dayton Street Facility Modifications project for 2020 balancing. This supplemental was noted as such in the 2020 projection found in the 2021 Proposed Budget.

Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Departmental</td>
<td>Capital Projects Fund</td>
<td>-75,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
Attachment B

2020 Fall Amendment Ordinance
2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Non-Departmental

Highway 30 Landfill Remediation

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>Operating</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>$0</td>
<td>$387,584</td>
<td>0</td>
<td>($387,584)</td>
</tr>
</tbody>
</table>

Total Appropriation Impact 0.00 $0 $387,584 $387,584 0 ($387,584)

This supplemental will address the gap in Highway 30 Landfill Remediation project funding. This was noted in the 2020 projection as part of the 2021 Proposed Budget.

The closed Highway 30 Landfill operated from 1969-1975. It was closed in accordance with the regulations at the time. In 2016, CDPHE issued a compliance advisory to the city for soil gas and groundwater contamination. Based on preliminary results of the investigation indicating significant levels of some contaminants, CDPHE and the city entered into an Order on Consent mandating further investigation and potential remediation. In 2016, staff estimated that the investigation and remediation would cost approximately $600,000. Methane contamination detected in the first quarter of 2019 created potentially unsafe conditions on adjacent property. A methane mitigation system was installed under an emergency purchase order in the summer of 2019 resulting in unforeseen additional costs to the project.

Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Departmental</td>
<td>Capital Projects Fund</td>
<td>387,584</td>
<td>0</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>
### Parks, Recreation & Open Space

#### 2020 Balancing: Completed Projects - Capital Projects Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-457,989</td>
<td>-457,989</td>
<td>0</td>
<td>457,989</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

<table>
<thead>
<tr>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0</td>
<td>-457,989</td>
<td>-457,989</td>
<td>0</td>
<td>457,989</td>
</tr>
</tbody>
</table>

This supplemental lapses budget in four completed projects in the Capital Projects Fund for 2020 balancing. These reductions were included as part of the 2020 projection shown in the 2021 Proposed Budget:

* Buckley Buffer - $96,500
* City Center Park - $7,900
* Morrison Nature Center - $3,600
* Triple Creek Trail Match - $350,000

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Capital Projects Fund</td>
<td>-457,989</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

#### 2020 Balancing: Completed Projects - Conservation Trust Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation Trust Fund</td>
<td>0.00</td>
<td>0</td>
<td>-554,937</td>
<td>-554,937</td>
<td>0</td>
<td>554,937</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

<table>
<thead>
<tr>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0</td>
<td>-554,937</td>
<td>-554,937</td>
<td>0</td>
<td>554,937</td>
</tr>
</tbody>
</table>

This supplemental lapses budget in four completed capital projects in the Conservation Trust Fund for 2020 balancing. These reductions were included as part of the 2020 projection shown in the 2021 Proposed Budget:

* Acquisitions - $231,100
* Moorhead Recreation Center Improvements - $319,700
* Sand Creek Trail - $2,800
* Sand Creek Park - $1,400

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Conservation Trust Fund</td>
<td>-554,937</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
## Parks, Recreation & Open Space

### 2020 Balancing: Completed Projects - Open Space Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space Fund</td>
<td>0.00</td>
<td>0</td>
<td>-260,622</td>
<td>-260,622</td>
<td>0</td>
<td>260,622</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**: 0.00 $0 ($260,622) ($260,622) $0 $260,622

This supplemental lapses budget in four completed capital projects in the Open Space Fund for 2020 balancing. These reductions were included as part of the 2020 projection shown in the 2021 Proposed Budget:

* Acquisitions - $200,000
* Court Replacement - $16,800
* Delaney Farm - $43,000
* Red Tailed Hawk Park - $800

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Open Space Fund</td>
<td>-260,622</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

### 2020 Balancing: Deferred Projects - Capital Projects Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-38,034</td>
<td>-38,034</td>
<td>0</td>
<td>38,034</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**: 0.00 $0 ($38,034) ($38,034) $0 $38,034

This supplemental lapses budget for the deferred Aurora Reservoir Gazebo project in the Capital Projects Fund for 2020 balancing. The deferral was included as part of the 2020 projection shown in the 2021 Proposed Budget.

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Capital Projects Fund</td>
<td>-38,034</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
Attachment B
2020 Fall Amendment Ordinance
2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Parks, Recreation & Open Space

2020 Balancing: Deferred Projects - Open Space Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space Fund</td>
<td>0.00</td>
<td>0</td>
<td>-3,540,812</td>
<td>-3,540,812</td>
<td>0</td>
<td>3,540,812</td>
</tr>
</tbody>
</table>

Total Appropriation Impact: 0 FTE, $0 in Fund Bal. ($3,540,812) offset ($3,540,812) total impact.

This supplemental lapses budget for seven deferred capital projects in the Open Space Fund for 2020 balancing. These deferrals were included as part of the 2020 projection shown in the 2021 Proposed Budget:

* Central Community Park - $552,800
* Court Replacement - $200,000
* Havana Park - $300,000
* High Line Canal - $309,100
* Kingsborough Park - $300,000
* Signature Park - $502,000
* Triple Creek Trail - $1.4 million

Total Appropriation Impact (Does not include offset impact):

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Open Space Fund</td>
<td>-3,540,812</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

2020 Balancing: Deferred Projects - Conservation Trust Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation Trust Fund</td>
<td>0.00</td>
<td>0</td>
<td>-1,280,000</td>
<td>-1,280,000</td>
<td>0</td>
<td>1,280,000</td>
</tr>
</tbody>
</table>

Total Appropriation Impact: 0 FTE, $0 in Fund Bal. ($1,280,000) offset ($1,280,000) total impact.

This supplemental lapses budget for three deferred capital projects in the Conservation Trust Fund for 2020 balancing. These deferrals were included as part of the 2020 projection shown in the 2021 Proposed Budget:

* Aurora Reservoir Gazebo - $380,000
* Central Community Park - $700,000
* Playground Renovation - $200,000

Total Appropriation Impact (Does not include offset impact):

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Conservation Trust Fund</td>
<td>-1,280,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
## Attachment B

### 2020 Fall Amendment Ordinance

### 2020 Appropriation Amendment Requests

---

### Department \ Description - Reason for Appropriation

#### Parks, Recreation & Open Space

**2020 Balancing: Eliminated Projects - Capital Projects Fund**

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-90,000</td>
<td>-90,000</td>
<td>0</td>
<td>90,000</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

<table>
<thead>
<tr>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0</td>
<td>-90,000</td>
<td>-90,000</td>
<td>0</td>
<td>90,000</td>
</tr>
</tbody>
</table>

This supplemental lapses the Beck Gym Floor Replacement project, a low priority project cut for 2020 balancing. This supplemental was reflected in the 2020 projection noted in the 2021 Proposed Budget.

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Capital Projects Fund</td>
<td>-90,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

---

**2020 Balancing: Reduced Projects - Capital Projects Fund**

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-508,000</td>
<td>-508,000</td>
<td>0</td>
<td>508,000</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

<table>
<thead>
<tr>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0</td>
<td>-508,000</td>
<td>-508,000</td>
<td>0</td>
<td>508,000</td>
</tr>
</tbody>
</table>

This supplemental lapses budget for the reduced Median Development and Westerly Creek projects in the Capital Projects Fund for 2020 balancing. These reductions were included as part of the 2020 projections shown in the 2021 Proposed Budget:

* Median Development - $370,000
* Westerly Creek - $138,000

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Capital Projects Fund</td>
<td>-508,000</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>
Department \ Description - Reason for Appropriation

Parks, Recreation & Open Space

2020 Balancing: Reduced Projects - Conservation Trust Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation Trust Fund</td>
<td>0.00</td>
<td>0</td>
<td>-1,306,176</td>
<td>-1,306,176</td>
<td>0</td>
<td>1,306,176</td>
</tr>
</tbody>
</table>

Total Appropriation Impact | 0.00 | $0 | ($1,306,176) | ($1,306,176) | $0 | $1,306,176 |

This supplemental lapses budget for five reduced capital projects in the Conservation Trust Fund for 2020 balancing. Sufficient budget remains to address safety, maintenance, and ADA needs. These reductions were included as part of the 2020 projections shown in the 2021 Proposed Budget:

* Construction Parks Small Projects - $346,900
* Olympic Park Infrastructure - $570,000
* Park Signage - $100,000
* Playground Resurfacing - $50,000
* Recreation/Aquatics Infrastructure - $239,300

Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Conservation Trust Fund</td>
<td>-1,306,176</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

2020 Balancing: Reduced Projects - Open Space Fund

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space Fund</td>
<td>0.00</td>
<td>0</td>
<td>-1,150,527</td>
<td>-1,150,527</td>
<td>0</td>
<td>1,150,527</td>
</tr>
</tbody>
</table>

Total Appropriation Impact | 0.00 | $0 | ($1,150,527) | ($1,150,527) | $0 | $1,150,527 |

This supplemental lapses budget for eleven reduced capital projects in the Open Space Fund for 2020 balancing. Sufficient budget remains to address safety, maintenance, and ADA needs. These reductions were included as part of the 2020 projections shown in the 2021 Proposed Budget:

Adams County:
* Infrastructure Open Spaces Small Projects - $48,700
* Infrastructure Parks Small Projects - $25,000
* Open Space Restoration - $40,900
* Park Signage - $40,000

Arapahoe County:
* Athletic Field Renovation - $76,700
* Construction Parks Small Projects - $143,800
* Infrastructure Parks Small Projects - $230,600
* Open Space Restoration - $156,100
* Park Signage - $88,700
* Park Tree Planting - $20,000
* Playground Renovation - $280,000

Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks, Recreation &amp; Open Space</td>
<td>Open Space Fund</td>
<td>-1,150,527</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

14
Attachment B
2020 Fall Amendment Ordinance
2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Parks, Recreation & Open Space

Technical: Grant-Funded Capital Projects

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>Department</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts &amp; Grants Fund</td>
<td>Parks, Recreation &amp; Open Space</td>
<td>1,945,000</td>
<td>0</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>

This technical supplemental will appropriate grant funding from Arapahoe County Open Space and Adams County Open Space for four capital projects. This supplemental was not known during preparation of the 2021 Proposed Budget and is, therefore, not included in the 2020 projection.

* Parklane Pool AdCo ($775,000): Renovation of aging pool house mechanical system and concrete decking, and addition of a splash pad.

* Sand Creek Shelter AdCo ($170,000): Addition of a large picnic shelter at Sand Creek Park.

* Canterbury Park ArCo ($500,000): Renovation of existing park to include perimeter walks, new playground, and conversion of some turf to native grass.

* Plains Conservation Center ArCo ($500,000): Improvements to the Prairie Meander and Prairie Wetland laboratory.

Total Appropriation Impact (Does not include offset impact)
### Public Works

#### 2020 Balancing Public Works

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Appropriation Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>-2,666,692</td>
<td>-2,666,692</td>
<td>0</td>
<td>2,666,692</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact**

0.00 \(\) $0 \(\) ($2,666,692) \(\) ($2,666,692) \(\) 0 \(\) $2,666,692

This supplemental will lapse 2020 funds for deferred, completed and/or low priority projects as part of the 2020 balancing efforts. These reductions were included as part of the 2020 projection shown in the 2021 Proposed Budget:

* ADA Assessment Project- $1.0 million ($500,000 deferred, $500,000 cut)
* FasTrack Betterments - $248,400 (completed)
* Fence Design - $130,700 (eliminated/cut)
* Geotech Testing Contract $9,900 (completed)
* Light Rail Restrooms - $707,700 (eliminated/cut)
* Quincy/Plains and Southlands/Orchard Signal- $118,200 (completed)
* Signals Insurance Recoveries - $199,200 (eliminated/cut)
* Streets Condition Testing - $30,000 (deferred)
* Traffic Studies - $185,000 (eliminated/cut)
* Westerly Creek Lighting - $37,500 (completed)

**Total Appropriation Impact (Does not include offset impact)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>Capital Projects Fund</td>
<td>-2,666,692</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
</tbody>
</table>

16
Department \ Description - Reason for Appropriation

Public Works

Appropriate Portion of I70/Picadilly Match

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Approp.</th>
<th>CIP Approp.</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>1,688,134</td>
<td>1,688,134</td>
<td>1,489,044</td>
<td>-199,090</td>
</tr>
<tr>
<td>General Fund</td>
<td>0.00</td>
<td>1,489,044</td>
<td>0</td>
<td>1,489,044</td>
<td>0</td>
<td>-1,489,044</td>
</tr>
</tbody>
</table>

Total Appropriation Impact | 0.00 | $1,489,044 | $1,688,134 | $3,177,178 | $1,489,044 | ($1,688,134) |

Aurora received Federal Funds for the I-70/Picadilly interchange Project. The city match is $16 million and will come from funds available in the General Fund. This supplemental will transfer and appropriate a portion of the match, in the amount of $1.5 million, for the eligible expense of Program Management Consulting Services to assist and guide City Staff in the development of the solicitation documents, establishment of document management systems, and evaluation of response. The remaining match will remain set aside in the General Fund. Additionally, funding will be lapsed for the following completed projects and reallocated to the I-70/Picadilly Interchange project for completion of the 30 percent design:

*Montview Overlay ($150,000)
*Courts/Detention Center Roof ($240,100)
*Alameda Ave/I225 Turn Lane ($37,900)
*Heritage Eagle Bend Improvements ($26,800)
*Priority Projects Study/Appraisals ($260,000) as the need for the anticipated studies and appraisals did not come to fruition.
*$199,100 in CPF funds available

The lapsed projects and thirty-percent design were included as part of the 2020 projection shown in the 2021 Proposed Budget; however, the exact cost of the Program management contract was not known at the time of budget preparation and was not included in the projection. The award for the Program Manager was reviewed at the August 3, 2020 Regular Council Meeting.

Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>Capital Projects Fund</td>
<td>-739,910</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
<tr>
<td>Non-Departmental</td>
<td>General Fund</td>
<td>0</td>
<td>1,489,044</td>
<td>Operating Transfer Out</td>
</tr>
<tr>
<td>Public Works</td>
<td>Capital Projects Fund</td>
<td>2,428,044</td>
<td>0</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>
This supplemental will appropriate funding for the design of two Southeast Aurora Regional Improvement Authority (SARIA) Projects: Gartrell Bridge and Aurora Parkway Bridge.

The Gartrell project establishes $500,000 in funding for the initial scoping and preliminary design of a bridge to support the full 4-lane roadway section with turn lanes and new traffic signals at the E470 ramps. Subsequent agreements for construction and maintenance would follow pending information gained during this first phase. This phase is fully funded by SARIA. The current estimate for the total project is approximately $6,000,000.

The Aurora Parkway project appropriates $700,000 in funding for initial scoping, planning and design of a bridge to support the full 4-lane roadway section as well as construction plans for the interim 2-lane section. This phase is fully funded by SARIA. The current estimate for the total project is approximately $6,000,000.

Subsequent agreements for construction and maintenance of both projects will be forthcoming with information gained during this first phase. Both projects will be managed by city staff with coordination from the E470 and SARIA. This supplemental was not included as part of the 2020 projection shown in the 2021 Proposed Budget. The Intergovernmental Agreements (IGAs) for both projects were approved at the August 5, 2019 Regular City Council Meeting.

This supplemental will appropriate cash receipts received per the terms of road maintenance IGAs. As part of a street maintenance agreement with the Fitzsimons Redevelopment Authority (FRA), the authority is funding the purchase of street maintenance equipment for operations within their development. Funds are appropriated for a payment received for two tandem axle trucks outfitted for road maintenance and snow and ice control ($574,400). Additionally as part of agreements with oil and gas operators, funds are escrowed for repair of heavy equipment routes used to access oil and gas sites. Funds are appropriated for repairs required along Monaghan ($315,000). The equipment purchase was included as part of the 2020 projection shown in the 2021 Proposed Budget. The road repairs were not yet estimated at the time of budget preparation and were not included in the projection.
### Public Works

#### Technical: Move Funding Between Street Maintenance Programs

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Appropriation</th>
<th>CIP Appropriation</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects Fund</td>
<td>0.00</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact:** 0.00

This technical supplemental will move $442,100 from the Street Overlay program to the Chip Seal program to reflect where this year's street maintenance work occurred. This supplemental was not known during preparation of the 2021 Proposed Budget and is, therefore, not shown in the 2020 projection.

#### Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>Capital Projects Fund</td>
<td>-442,099</td>
<td>0</td>
<td>Lapse of Appropriation</td>
</tr>
<tr>
<td>Public Works</td>
<td>Capital Projects Fund</td>
<td>442,099</td>
<td>0</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>

#### Technical: Ptarmigan Wall Repairs

<table>
<thead>
<tr>
<th>Fund Impact</th>
<th>FTE</th>
<th>Operating Appropriation</th>
<th>CIP Appropriation</th>
<th>Approp. Total</th>
<th>Revenue Offset</th>
<th>Inc. / (Dec.) in Fund Bal.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated Revenues Fund</td>
<td>0.00</td>
<td>6,380</td>
<td>0</td>
<td>6,380</td>
<td>0</td>
<td>-6,380</td>
</tr>
</tbody>
</table>

**Total Appropriation Impact:** 0.00

This technical supplemental will appropriate existing funding for repairs to Ptarmigan Park Fence for several panels that required replacement after being struck by a vehicle. Ptarmigan Park Fence is part of a Special Improvement District (SID) and annual assessments to property owners fund an Operating and Maintenance (O&M) account that was used to pay for these repairs. While a cash balance exists, this supplemental is necessary to provide appropriation of that cash. The city is pursuing the responsible party for reimbursement of these costs. This supplemental was not included as part of the 2020 projection shown in the 2021 Proposed Budget as costs were not known at the time.

#### Total Appropriation Impact (Does not include offset impact)

<table>
<thead>
<tr>
<th>Department</th>
<th>Fund</th>
<th>Capital</th>
<th>Operating</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>Designated Revenues Fund</td>
<td>0</td>
<td>6,380</td>
<td>New Appropriation</td>
</tr>
</tbody>
</table>
ORDINANCE NO. 2020-____

A BILL

FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO
APPROPRIATING SUMS OF MONEY IN ADDITION TO THOSE
APPROPRIATED IN ORDINANCE NOS. 2019-82, AND 2020-44 FOR THE
2020 FISCAL YEAR

WHEREAS, pursuant to Ordinance Nos. 2019-82 and 2020-44, the City Council (the
“Council”) of the City of Aurora, Colorado (the “City”) has appropriated funds for the fiscal year
beginning January 1, 2020, and ending December 31, 2020 (“Fiscal Year 2020”); and

WHEREAS, additional appropriations are needed to fund new expenditures for which
revenues have recently become available; and

WHEREAS, the Director of Finance has certified that unappropriated reserves and
additional funding sources and revenues are available for appropriation in the various funds; and

WHEREAS, the City Manager has recommended that the various appropriations
enumerated in this Ordinance be made.

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

Section 1. Appropriations in addition to those made in Ordinance Nos. 2019-82 and
2020-44 shall be made for Fiscal Year 2020 for the purposes enumerated in Attachment B to the
document entitled 2020 Fall Amendment Ordinance Appropriation Detail by Fund, such document
being in the form as filed with the Office of the City Clerk and presented to the Council at this
meeting (the “2020 Amendment Detail”), all as follows:

a. From the unappropriated fund balance and/or additional revenues of the General
Fund, the net amount of One Million, Five Hundred Nine Thousand, Eight Hundred
Thirty-Five Dollars ($1,509,835).

b. From the unappropriated fund balance and/or additional revenues of the
Community Development Fund, the net amount of Two Million, Ninety-Two
Thousand, Eight Hundred Sixty Dollars ($2,092,860).

c. From the unappropriated fund balance and/or additional revenues of the Designated
Revenues Fund, the net amount of Six Thousand, Three Hundred Eighty Dollars
($6,380).

d. From the unappropriated fund balance and/or additional revenues of the Gifts and
Grants Fund, the net amount of One Million, Nine Hundred Forty-Five Thousand
Dollars ($1,945,000).
Section 2. Appropriations made in Ordinance Nos. 2019-82 and 2020-44 for Fiscal Year 2020 shall be adjusted for the reasons enumerated in the 2020 Amendment Detail, all as follows:

a. From the Capital Projects Fund, the net amount of Seven Hundred Forty-One Thousand, Eight Hundred Twenty-Seven Dollars ($741,827) shall be deemed lapsed.

b. From the Conservation Trust Fund, the net amount of Three Million, One Hundred Forty-One Thousand, One Hundred Thirteen Dollars ($3,141,113) shall be deemed lapsed.

c. From the Enhanced E-911 Fund, the net amount of Eight Hundred Eighty-Five Thousand Dollars ($885,000) shall be deemed lapsed.

d. From the Open Space Fund, the net amount of Four Million, Nine Hundred Fifty-One Thousand, Nine Hundred Sixty-One Dollars ($4,951,961) shall be deemed lapsed.

Section 3. Inter-fund and inter-departmental transfers shall be made as enumerated in the 2020 Amendment Detail for Fiscal Year 2020.

Section 4. The City Manager and the Budget Officer are hereby directed and authorized to expend so much of said funds as are necessary to pay for the projects and acquisitions referenced herein.

Section 5. All ordinances or parts of ordinances of the City in conflict herewith are expressly repealed.

Section 6. 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 _________ day of __________________, 2020.

PASSED AND ORDERED PUBLISHED BY REFERENCE this _________ day of __________________, 2020.

____________________________________
MICHAEL COFFMAN, Mayor

ATTEST:

____________________________________
SUSAN BARKMAN, Interim City Clerk
APPROVED AS TO FORM:

HANOSKY HERNANDEZ,  
Assistant City Attorney
Management and Finance Policy Committee
Agenda Item Commentary

Item Title: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, EXPRESSING THE AURORA CITY COUNCIL’S SUPPORT TO HAVE CITY STAFF PROVIDE LOW-INCOME WAGE EMPLOYEES OF BUSINESSES IN AURORA WITH ASSISTANCE IN APPLYING FOR FEDERAL AND STATE LOW-INCOME ASSISTANCE PROGRAMS

Item Initiator: Mayor Coffman

Staff Source: Terri Velasquez, Finance Director

Deputy City Manager Signature: Roberto Venegas

Outside Speaker:

Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

ACTIONS(S) PROPOSED (Check all appropriate actions)

☑ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Information Only

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.)

Mayor Coffman will provide an overview of the proposed resolution.

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

The proposed resolution provides low-income wage employees of Aurora businesses with assistance in applying for federal and state low-income assistance programs. Human Resources has estimated the cost for implementation and support of the resolution as $90,000 annually which will fund a Community Program Specialist position salary and benefits of $85,000 and materials and supplies of $5,000.

QUESTIONS FOR Committee

Does the Committee support moving the proposed resolution forward to a Study Session?

EXHIBITS ATTACHED:

Resolution help for low-income wage earners with assistance programs 2020.pdf
RESOLUTION NO. R2020- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, EXPRESSING THE AURORA CITY COUNCIL’S SUPPORT TO HAVE CITY STAFF PROVIDE LOW-INCOME WAGE EMPLOYEES OF BUSINESSES IN AURORA WITH ASSISTANCE IN APPLYING FOR FEDERAL AND STATE LOW-INCOME ASSISTANCE PROGRAMS

WHEREAS, the Earned Income Tax Credit is a federal program targeted at qualified low-income working families that provides a refundable tax credit offsetting their tax liabilities and possibly generating a tax refund; and

WHEREAS, the Supplemental Nutrition Assistance Program (SNAP) is the largest federal nutrition assistance program designed to provide nutrition benefits to low-income individuals and families who are eligible for the program as determined by state agencies; and

WHEREAS, the Housing Choice Voucher Program (formerly Section 8) provides rental assistance to income-eligible tenants by subsidizing a portion of their monthly rent and utilities, if the utilities are not included in the rent, directly to their landlord; and

WHEREAS, Medicaid Expansion is a jointly funded federal and state program designed to cover individuals and families with low-income with health coverage; and

WHEREAS, the Children’s Health Insurance Program (CHIP) provides health coverage to children in eligible families with low-income; and

WHEREAS, Low Income Home Energy Assistance Programs (LIHEAP) assist eligible low-income households with heating and cooling energy costs, bill payment assistance, energy crisis assistance, weatherization, and energy-related home repairs; and

WHEREAS, Temporary Assistance for Needy Families (TANF) jurisdictions use federal TANF funds to provide income support, as well as a wide range of services, to eligible low-income families with children; and

WHEREAS, there are other federal, and state sponsored programs designed to assist eligible low-income wage earners; and

WHEREAS, many eligible low-income wage-earning individuals and families are not receiving benefits from the multiple assistance programs; and

WHEREAS, eligible low-income wage-earning individuals and families need assistance to navigate the process to obtain assistance from federal and state low-income programs; and
WHEREAS, the City can provide trained City personnel to assist eligible low-income individual and families living and working in the City in applying for federal and state low-income assistance programs.

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

Section 1. The Aurora City Council resolves for the City of Aurora to provide trained City personnel for low-income wage earners living and working in businesses in Aurora in applying for and participating in federal and state low-income assistance programs.

Section 2. The proposed assistance program is intended to focus on low-income individuals living independently from their parent’s home and working in the City, and to focus on low-income families living and working in the City.

Section 3. The City Council asks the City staff to look for opportunities to partner and share costs with the counties in which the City of Aurora is located.

Section 4. The City Council asks the City staff to address funding for additional staff to implement this program within the current 2021 budget proposal or in a supplemental appropriation.

Section 5. All resolutions or parts of resolutions of the City in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this _____ day of ___________________. 2020.

__________________________
MIKE COFFMAN, Mayor

ATTEST:

__________________________
SUSAN BARKMAN, Interim City Clerk

APPROVED AS TO FORM:

__________________________
Tim Joyce RLA
TIM JOYCE, Assistant City Attorney
Management and Finance Policy Committee
Agenda Item Commentary

<table>
<thead>
<tr>
<th>Item Title:</th>
<th>A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AUTHORIZING THE CITY OF AURORA TO PAY DIFFERENTIAL PAY TO CITY EMPLOYEES WHEN SERVING ACTIVE DUTY DEPLOYMENT IN THE NATIONAL GUARD OR RESERVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item Initiator:</td>
<td>Mayor Coffman</td>
</tr>
<tr>
<td>Staff Source:</td>
<td>Giordano, Dianna</td>
</tr>
<tr>
<td>Deputy City Manager Signature:</td>
<td>Nancy Freed</td>
</tr>
<tr>
<td>Outside Speaker:</td>
<td></td>
</tr>
<tr>
<td>Council Goal:</td>
<td>2012: 6.0--Provide a well-managed and financially strong City</td>
</tr>
</tbody>
</table>

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

- ☑ Approve Item and Move Forward to Study Session
- ☐ Approve Item and Move Forward to Regular Meeting
- ☐ Information Only

**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 Mayor will provide an overview of the proposed ordinance to resolution.

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

The proposed resolution authorizes the City to pay differential pay to City employees when serving an active duty deployment in the National Guard or Reserves and must leave their employment in the City to fulfill their military duties and may experience financial hardship due to the loss of their City wages during deployment.

**QUESTIONS FOR Committee**

Does the Committee support moving the proposed resolution forward to a Study Session?

**EXHIBITS ATTACHED:**

Financial Impact of Offering Military Differential Pay (002).docx
Military Policy Presentation Differential HR.pptx
Proposed Resolution - Military Pay Differential.docx
Financial Impact of Offering Military Differential Pay

An analysis was done to determine the financial impact of authorizing the city to offer differential pay to employees who are on active duty military deployment in the national guard or reserves.

The financial impact of paying differential pay is estimated to be approximately $100,000 per year based on a review of employees deployed during 2020. The $100,000 was determined by comparing actual salary missed to Leave Without Pay based on an average hourly rate for military pay. Actual military pay could only be determined by reviewing each employee’s military orders, which was not done due to time constraints.

Summary of Differential Pay

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Salary Missed, YTD 2020 through 10.09.20</td>
<td>$406,344.03</td>
</tr>
<tr>
<td>Estimated LWOP (based on average military pay of $29.26/hr)</td>
<td>$331,411.06</td>
</tr>
<tr>
<td>Estimated Differential Amount</td>
<td>$74,932.97</td>
</tr>
<tr>
<td>Annualized Differential</td>
<td>$89,919.56</td>
</tr>
<tr>
<td>Medicare</td>
<td>$1,303.83</td>
</tr>
<tr>
<td>Pension</td>
<td>$10,790.35</td>
</tr>
<tr>
<td>Total Estimated Annual Differential</td>
<td>$102,013.74</td>
</tr>
</tbody>
</table>

It is possible that some portion of the $100,000 was retained as vacancy savings but must also consider if some or all was removed from vacancy savings and budgeted for another purpose, or used to hire a contingent or cover Interim/Detail pay for another employee.
Military Differential Pay Proposal

- Policy updates to reflect current state of business
- Additional Customer Service & Training from Human Resources Team
- Military Leave Differential Pay Proposal
Military Liaison within the Human Resources Department & a designated Liaison for the employee within their own department

- This will keep the employee connected to the City building loyalty during their leave time.
- Liaisons will be in charge of including them in things like open enrollment, shift bids, etc.

Better tracking of current serving employees and veterans.

- This will assist with our recruiting efforts.
Mandatory USERRA training for Supervisors

- The AuroraLearn team has added mandatory USERRA training taught by the Military Liaison.
- Have taught 2 classes this year.
- Assisting employees while on military leave.
- Many employees have a difference in pay in addition to losing out on overtime or off-duty while on military leave.
- 24 months, additional approved at director discretion
<table>
<thead>
<tr>
<th>City</th>
<th>Pay policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Employees</td>
<td>Full pay for 1 year during deployment, 15 days for military leave during non-deployment years</td>
</tr>
<tr>
<td>Lone Tree</td>
<td>Base Pay (No BAH, hazardous, etc) Vs. Base Pay (no OT, raises while gone)</td>
</tr>
<tr>
<td>CU (CUPD)</td>
<td>Yes, make up full salary vs. Base Pay for 3 months. Otherwise only USERRA</td>
</tr>
<tr>
<td>Arvada</td>
<td>Yes, make up full salary vs. Base Pay for 3 months. Otherwise only USERRA</td>
</tr>
<tr>
<td>Glenwood Springs</td>
<td>When officers are deployed the department pays for a care package to be sent monthly to the soldier.</td>
</tr>
<tr>
<td>Dillon</td>
<td>Pay differential</td>
</tr>
<tr>
<td>Jefferson County</td>
<td>Pay differential</td>
</tr>
<tr>
<td>Parker</td>
<td>Pay differential</td>
</tr>
<tr>
<td>Commerce City</td>
<td>Pay differential</td>
</tr>
<tr>
<td>Austin, TX</td>
<td>Total Pay vs. Total Pay</td>
</tr>
<tr>
<td>Denver Dispatch</td>
<td>Has policy on injury during military service. Job is protected for 2 years &amp; additional time may be granted if necessary.</td>
</tr>
<tr>
<td>Teller County</td>
<td>Do pay differential ... no specific wording on how it is done.</td>
</tr>
<tr>
<td>Colorado Springs</td>
<td>Differential base to gross.</td>
</tr>
</tbody>
</table>
- Assisting employees while on military leave.
- Military base pay Vs. City base pay
- Voluntary deductions will continue as normal if employee applies for differential pay.
Military base pay Vs. City base pay

Current Example:
Firefighter currently activated E-4 2262.60 month
24 hour firefighter pay $4,326
Current yearly data from Finance based on Annual retirement notifications.

Amount per year of over 30 day Military Leave

2017 – 4
2018 – 6
2019 – 7
2020 – 2

We are currently not tracking or not accurately being able to track the current Service Members who are employed with the City of Aurora.
Benefits to the Employee

- Building loyalty by supporting our employees through utilizing vacancy savings.
- Less stress & pressure on our employees.
- Less to pay back for retirement when they return home.
Benefits to the City

- Word of mouth marketing inside the military community.
- Great recruiting tool
- Employer of choice.
- Better retention of our employees
- Right thing to do
THANK YOU
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AUTHORIZING THE CITY OF AURORA TO PAY DIFFERENTIAL PAY TO CITY EMPLOYEES WHEN SERVING ACTIVE DUTY DEPLOYMENT IN THE NATIONAL GUARD OR RESERVES

WHEREAS, employees of the City of Aurora serve in the National Guard and the reserve components of the United States Armed Forces, and these employees may be called to active duty and consequently must leave their employment in the City to fulfill their military duties; and

WHEREAS, employees called to active duty, and their families, may experience financial hardship due to the loss of their City wages during deployment; and

WHEREAS, the Council recognizes that serving in the Armed Forces is an honorable act, and Council wishes to contribute financially to these employees to minimize any potential loss of income while serving in the National Guard or United States Armed Forces; and

WHEREAS, the Council finds that this resolution is necessary to promote the prosperity of those employees that serve the country in the National Guard and United States Armed Forces.

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

Section 1. The City of Aurora shall provide to its employees who have been called up for active duty with the National Guard or United States Air Force, Army, Coast Guard, Marine, Space Force, or Naval Reserves with payments to supplement their military pay so that they do not suffer a loss of income while serving. Such supplemental pay is intended to make up the difference of the employee’s military pay and City pay.

Section 2. The City Council asks City staff to address additional funding to implement this program within the current 2021 budget proposal or in a supplemental appropriation.

Section 3. All resolutions or parts of resolutions of the City in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this _____ day of _________________, 2020.

__________________________
MIKE COFFMAN, Mayor
THIS PAGE

INTENTIONALLY LEFT BLANK
Management and Finance Policy Committee
Agenda Item Commentary

<table>
<thead>
<tr>
<th>Item Title:</th>
<th>FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING CHAPTER 26 ADDING ARTICLE III REFERRED TO AS “TEMPORARY CAPS ON FEES FOR FOOD DELIVERY,” AND OTHER RELATED MATTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item Initiator:</td>
<td>Trevor Vaughn, Manager of Tax and Licensing</td>
</tr>
<tr>
<td>Staff Source:</td>
<td>Trevor Vaughn, Manager of Tax and Licensing</td>
</tr>
<tr>
<td>Deputy City Manager Signature:</td>
<td>Roberto Venegas</td>
</tr>
<tr>
<td>Outside Speaker:</td>
<td></td>
</tr>
<tr>
<td>Council Goal:</td>
<td>2012: 6.0—Provide a well-managed and financially strong City</td>
</tr>
</tbody>
</table>

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

- [x] Approve Item and Move Forward to Study Session
- [ ] Approve Item and Move Forward to Regular Meeting
- [ ] Information Only

**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 was presented to the Business Advisory Board on October 6th, 2020. The board discussed this item as a temporary measure to deal with the market distortions created by the pandemic and associated public health orders. The Board provided a favorable recommendation for the item with unanimous vote of the members present and included a recommendation for an earlier sunset if restaurants are allowed 100% capacity sooner than the current expiration date of March 31st, 2021.

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

This proposed ordinance has several impacts and has a sunset date of March 31st, 2021. The ordinance caps the commission that at third party delivery service can charge a local food establishment at no more than 15%. This cap cannot be offset by reductions in compensation that is paid to the delivery driver.

Additionally, this ordinance prohibits a third party delivery service from listing a restaurant on their platform without written permission.

The ordinance also requires transparency on the receipt provided to the customer with itemization of fees and taxes charged in accordance with the service.
For non-compliance, the ordinance applies civil penalties that can be as high as the city fee schedule. This ordinance is similar to the one recently passed by the City and County of Denver. The Denver ordinance expires February 9, 2021 unless extended. Most of the market share for this industry is held by just a few large companies. Enforcement of the ordinance is anticipated to be handled within existing city resources.

**QUESTIONS FOR Committee**

Does the committee wish to forward this item to study session for consideration of the full city council?

**EXHIBITS ATTACHED:**

2020-Third-Party-Delivery-Fees-Cap-Ordinance.pdf
ORDINANCE NO. 2020-____

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING CHAPTER 26 ADDING ARTICLE III REFERRED TO AS “TEMPORARY CAPS ON FEES FOR FOOD DELIVERY,” AND OTHER RELATED MATTERS

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; and

WHEREAS, currently the United States is undergoing a severe pandemic due to a respiratory illness caused by the Severe Acute Respiratory Syndrome Coronavirus 2, SARS-CoV-2, (“COVID-19”) creating a national health emergency that continues to restrict all food service establishments from operating freely within the City, and causing a severe financial impact on all food service establishments within the City; and

WHEREAS, the pandemic and the restrictions associated with it have increased the need for take-out meal services for all customers, and while some restaurants may receive take-out orders directly, there are many third-party food delivery platforms and other services that operate through websites and/or mobile phone applications used by consumers to quickly and easily order pick-up and delivery meals from local food establishments; and

WHEREAS, the Aurora City Council (the “Council”) finds that third party delivery services contract food delivery services without the knowledge or consent of local food establishments, and therefore will represent to the consumer that they are selling meals from, or on behalf of, the local food establishment to the consumers, and in some cases the delivery platforms charge exorbitant fees to the already struggling local food establishment; and

WHEREAS, the Council finds that the fees charged by a third-party food delivery platform to local food establishments in the City should be temporarily capped, while restrictions on dine in at local food establishments remain in place, to prevent further economic harm to local food establishments within the City; and

WHEREAS, the Council finds that this ordinance is necessary 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.
NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF AURORA, COLORADO:

Section 1. Chapter 26, Article III, of the City Code of the City of Aurora,
Colorado, is hereby added and shall read as follows:

Sec. 26-61. Definitions.

“Licensing administrator” means that person designated as such by the Finance
director, or his or her designee, whose duties include the issuance, denial, and
renewal of licenses required by and issued to businesses within the city and the
general administration and enforcement of all provisions of chapter 86 relating
to such licenses.

“Local Food Establishment” means a business licensed within the City as
required on Chapter 86 of the City Code.

“Online order” means an order placed by a customer through a platform
provided by the third-party food delivery platform for delivery or pickup
within the City.

“Purchase price” for purposes of this ordinance, means the menu price of
an online order, excluding taxes, gratuities, or any other fees that may
make up the total cost to the customer of an online order.

“Telephone order” means an order placed by a customer to a restaurant
through a telephone call forwarded by a call system provided by a third-
party food delivery platform for delivery or pickup within the City.

“Third-party food delivery platform” means any person, website, mobile
application, or other internet service that offers or arranges for the sale of
food and beverages prepared by, and the same-day delivery or same-day
pickup of food and beverages from, retail food establishments, that is
engaged in business in the City as defined in Section 130-31 of the City
Code.

Sec.26-62. Third-party food delivery fee or commissions limitations. Duty to
disclose fees or commissions.

(a) A third-party food delivery platform shall not perform any service for,
or disclose any information, about a local food establishment without
their written consent.

(b) No person shall cause a third-party food delivery platform to charge a
local food establishment a commission fee for the use of the platform's
services for delivery or pick-up that exceeds 15% of the purchase price.
per online order. In order to charge a commission or fee above the 15% established in this subsection, the third-party delivery service shall receive consent from the local food establishment.

(c) No person shall cause a third-party food delivery platform to reduce the compensation rate paid to a delivery service driver or garnish gratuities or tips in order to comply with subsection (b) of this section.

(d) At the time a final price is disclosed to a customer for the intended purchase and delivery of food from a local food establishment through a third-party food delivery platform, and before that transaction is completed by the customer, the third-party food delivery platform shall disclose to the customer, any commission, fee, or any other monetary payment charged to the customer by the third-party food delivery platform as a line item on the receipt.

(e) After a transaction occurs for the purchase and delivery of food from a local food establishment through a third-party food delivery platform, the third-party food delivery platform shall provide an electronic or printed receipt to the customer. The receipt shall disclose, in plain and simple language and in a conspicuous manner:

1. The menu price of the food.
2. Any sales tax applied to the transaction.
3. Any delivery charge or service fee, imposed on and collected from the customer by the third-party food delivery platform and by the local food establishment, in addition to the menu price of the food.
4. Any tip that will be paid to the person delivering the food, and not to the third-party food delivery platform, that was added into the transaction when it occurred.
5. Any commission associated with the transaction.

(f) No third-party food delivery platform may charge any fee from a local food establishment for a telephone order if a telephone call between such retail food establishment and a customer does not result in an actual transaction during such telephone call.

(g) The provisions of this section shall not limit the ability of any retail food establishment to choose to pay a higher commission or supplemental fee to access additional advertising or other products and services offered by any third-party food delivery platform.

(a) Complaints. Subject to any rules and regulations that may be issued by the Licensing Administrator, any local food establishment may submit a complaint of a violation of this section to the Licensing Administrator. Any such complaint shall be made in writing to the Licensing Administrator and shall include all information relied upon by the retail food establishment. The local food establishment bears the burden of proving a violation under this ordinance by preponderance of the evidence.

(b) Investigation. The Licensing Administrator shall investigate all written complaints, shall notify any third-party food delivery platform alleged to have violated the regulations established in this ordinance of any complaint lodged against them, and shall provide a summary of findings regarding any such complaint to both the complainant and the third-party delivery platform. Third-party food delivery platforms shall maintain books and records available for the Licensing Administrator to investigate any complaints. Such books and records shall be made available to the Licensing Administrator upon demand. Failure to provide the records as required in this section shall be prima facie rebuttable evidence of a violation.

(c) Civil or Administrative Penalty. If the Licensing Administrator determines a violation of this article has occurred, the third-party food delivery platform shall be subject to a civil penalty not to exceed the amount established in Section 86-47 per violation, each day a violation of this article occurs. For purposes of this article, the continuation of a violation shall be a separate violation for each day the Licensing Administrator determines a third-party food delivery platform has violated this ordinance. Nothing in this section prevents the Licensing Administrator from reaching a settlement agreement with respect to one or multiple violations.

(d) Administrative Hearing. Any person or third-party delivery service who disputes a civil penalty assessed pursuant to a violation of this Article shall request a hearing in writing pursuant to the procedure established by Section 86-47, regarding hearings before the Director of Finance. The decision of the Director of Finance shall be the final decision which may only be appealed to Arapahoe District Court under the provisions of Colorado Rule of Civil Procedure 106(a)(4) within thirty (30) days of the date the order becomes final.

Section 2. This ordinance shall expire on March 31, 2021, or when public health orders allow restaurants to have 100% unrestricted capacity, whichever is sooner.
Section 3. All ordinances, or parts of ordinances, of the City Code of the City of Aurora, Colorado, in conflict herewith are expressly repealed.

Section 4. 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.

INTRODUCED, READ AND ORDERED PUBLISHED this ______ day of __________________, 2020.

PASSED AND ORDERED PUBLISHED BY REFERENCE this ______ day of __________________, 2020.

MIKE COFFMAN, Mayor

ATTEST:

SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM

HANOSKY HERNANDEZ,
Assistant City Attorney
October 12, 2020,

Mayor & City Council
City of Aurora
15151 E. Alameda Pkwy., 5th Floor
Aurora, CO 80012

Subject: Third-Party Delivery Fee Cap Ordinance

Dear Mayor Coffman & Members of City Council:

At the October 6, 2020 Business Advisory Board (BAB) meeting, Councilmember Curtis Gardner presented a proposed ordinance to cap third-party delivery platform fees charged to consumers, until March of 2021.

The Board voted to unanimously support the Third-Party Delivery Fee Cap Ordinance proposal. This proposal offers a great opportunity for City Council to throw a relatively quickly implemented lifeline to local restaurants so that they can utilize takeout and delivery through third-party delivery services at commission/fee rates that will not cause operational losses, while avoiding abuse and lack of transparency. BAB members expressed concerns regarding large tech companies with zero investment in the State of Colorado, or the city of Aurora, who are preying on the most vulnerable independent restaurants that do not have any negotiation power.

While the BAB is cognizant of the concern for interrupting B2B free market transactions, the BAB strongly encourages City Council to understand the predatory nature of these third-party delivery vendors, and their unwillingness to negotiate rates with smaller, independent restaurants. Operations restrictions put in place to mitigate the spread of CoVid-19 have severely impacted the restaurant sector within the City and have already negatively altered the “free market” within the City of Aurora. Delivery is a key component to the survival of the sector and controlling the cost of third-party delivery services will help provide access to delivery services to smaller independent restaurants for whom “in-house” delivery operations are cost prohibitive. Larger, more corporate, restaurant groups enjoy lower commission/fee rates not offered to smaller independent restaurants due to the negotiation power of multiple location implementation.

As a result of the discussion, BAB members would also like to include the following recommendation and highlight the consumer protections included in the proposed ordinance:

- In consideration of on-going free market disruption, the BAB would recommend to sunset the Ordinance earlier if COVID-19 conditions improve and the occupancy limits expire. The City Council could review/renew this ordinance on a monthly or periodic basis, much like the disaster declaration.

- Enforce transparency in charges for services offered by third-party vendors. Consumers and restaurant operators should know how much money they are paying for the delivery services versus the cost of the meal.
• Restaurant owners should consent to have their menus and restaurant information posted on third-party vendors’ platforms. Menu information should not be copied and used without the permission of the business owner.

• Allows restaurant operators to elect and consent to services that would increase commissions/fees beyond 15%.

Respectfully submitted,

Garrett Walls, Chairperson

GW/ev

CC: BAB Members
Elena Vasconez, Economic and Business Development Supervisor
Trevor Vaughn, Manager of Tax & Licensing
THIS PAGE

INTENTIONALLY

LEFT BLANK
**Item Title:** Analysis of SCFD Tax Contributions and Grant Benefits

**Item Initiator:** Nancy Wishmeyer

**Staff Source:** Nancy Wishmeyer, Controller

**Deputy City Manager Signature:** Roberto Venegas

**Council Goal:** 2012: 6.0—Provide a well-managed and financially strong City

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

- [ ] Approve Item and Move Forward to Study Session
- [ ] Approve Item and Move Forward to Regular Meeting
- [x] Information Only

**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.)*

Through a .10% tax on sales and use tax, The Scientific and Cultural Facilities District provides funding to qualifying organizations across seven counties. SCFD tax dollars are allocated annually to participating organizations based on tiers: Tier I receives 64%, Tier II receives 22% and Tier III receives 14%. As a Tier II organization, the city of Aurora shares in the 22% funding allocation with other Tier II organizations in the district. Funding is allocated based on qualifying annual income, paid attendance, and free attendance.

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

Overview of SCFD contributions and benefits including estimate of what Aurora residents and others pay in sales and use taxes compared to the annual grant distribution from SCFD is attached. Total revenue sources and total expenditures for 2019 are outlined in the attached 2019 SCFD audited financial statements. The city of Aurora spends Cultural Division revenues on various city cultural programs including the Aurora History Museum, Visual Arts and Art in Public Places, the Fox Theater, and the Aurora Dance program.

**QUESTIONS FOR Committee**

Information only

**EXHIBITS ATTACHED:**

SCFD Comparison of Grant and Estimated Tax.pdf
SCFD FS 123119.pdf
## City of Aurora SCFD Funding
2015 - 2019

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax 4050 Fund 1000</td>
<td>162,614,882</td>
<td>169,374,846</td>
<td>178,777,727</td>
<td>186,727,457</td>
<td>202,752,063</td>
</tr>
<tr>
<td>Sales Tax Incentives</td>
<td>2,721,965</td>
<td>2,853,431</td>
<td>3,564,392</td>
<td>4,250,640</td>
<td>8,517,272</td>
</tr>
<tr>
<td>Total Sales tax Incl. Incentives</td>
<td>165,336,847</td>
<td>172,228,277</td>
<td>182,342,119</td>
<td>190,978,097</td>
<td>211,269,335</td>
</tr>
<tr>
<td>Auto Use Tax, 40620</td>
<td>18,238,347</td>
<td>18,881,119</td>
<td>20,174,565</td>
<td>20,615,415</td>
<td>22,345,412</td>
</tr>
<tr>
<td>Other Use Tax, 40640</td>
<td>12,120,653</td>
<td>13,635,029</td>
<td>14,021,083</td>
<td>16,441,920</td>
<td>14,369,723</td>
</tr>
<tr>
<td>Other Use Tax Incentives</td>
<td>3,018,728</td>
<td>6,590,559</td>
<td>1,386,235</td>
<td>3,029,232</td>
<td>2,198,841</td>
</tr>
<tr>
<td>Equipment Use Tax, 40690</td>
<td>9,532,457</td>
<td>8,769,820</td>
<td>10,103,716</td>
<td>12,166,269</td>
<td>11,221,868</td>
</tr>
<tr>
<td>Equipment Use Incentives</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>729,916</td>
<td>1,157,841</td>
</tr>
<tr>
<td>Total Use Tax Incl. Incentives</td>
<td>42,910,185</td>
<td>47,876,527</td>
<td>45,685,599</td>
<td>52,982,752</td>
<td>51,293,685</td>
</tr>
<tr>
<td>Total Regular Tax @ 3.75%</td>
<td>208,247,032</td>
<td>220,104,804</td>
<td>228,027,718</td>
<td>243,960,849</td>
<td>262,563,020</td>
</tr>
<tr>
<td>Regular Marijuana Sales Tax, acct 40504 Fund 2140</td>
<td>2,312,184</td>
<td>4,615,855</td>
<td>6,235,647</td>
<td>7,516,984</td>
<td>6,383,274</td>
</tr>
<tr>
<td>Homelessness Marijuana Sales Tax, acct 40507</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>30,656</td>
<td>2,219,511</td>
</tr>
<tr>
<td>Total Marijuana Sales Tax @7.75%</td>
<td>2,312,184</td>
<td>4,615,855</td>
<td>6,235,647</td>
<td>7,547,640</td>
<td>8,602,785</td>
</tr>
<tr>
<td>Total Taxable Sales @ 3.75%</td>
<td>5,553,254,187</td>
<td>5,869,461,440</td>
<td>6,080,739,147</td>
<td>6,505,622,640</td>
<td>7,001,680,533</td>
</tr>
<tr>
<td>Total Taxable Sales @ 7.75%</td>
<td>29,834,632</td>
<td>59,559,419</td>
<td>80,459,961</td>
<td>97,388,903</td>
<td>111,003,677</td>
</tr>
<tr>
<td>Total Taxable Sales</td>
<td>5,583,088,819</td>
<td>5,929,020,859</td>
<td>6,161,199,108</td>
<td>6,603,011,543</td>
<td>7,112,684,211</td>
</tr>
<tr>
<td>SCFD Sales Tax @ 0.1%, generated by Aurora sales</td>
<td>5,583,089</td>
<td>5,929,021</td>
<td>6,161,199</td>
<td>6,603,012</td>
<td>7,112,684</td>
</tr>
<tr>
<td>Ties to general ledger</td>
<td>210,559,216</td>
<td>224,720,659</td>
<td>234,263,365</td>
<td>251,508,489</td>
<td>271,165,805</td>
</tr>
<tr>
<td>SCFD Grant Distribution</td>
<td>306,910</td>
<td>295,764</td>
<td>281,284</td>
<td>310,185</td>
<td>351,770</td>
</tr>
<tr>
<td>Percent SCFD distribution of SCFD .1% tax</td>
<td>5.50%</td>
<td>4.99%</td>
<td>4.57%</td>
<td>4.70%</td>
<td>4.95%</td>
</tr>
</tbody>
</table>
City of Aurora – Cultural Services Division

Financial Statements
(With Independent Auditor’s Report Thereon)

December 31, 2019
City of Aurora – Cultural Services Division
December 31, 2019

Contents

Independent Auditor's Report ........................................................................................................ 1

Financial Statements

  Balance Sheet .............................................................................................................................. 3
  Statement of Revenues, Expenditures and Changes in Fund Balance ...................................... 4
  Notes to Basic Financial Statements ......................................................................................... 5
  Supplementary Information – Budgetary Comparison Schedule ............................................. 9
Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Aurora, Colorado
Aurora, Colorado

We have audited the accompanying financial statements of City of Aurora – Cultural Services Division (the Division) (a division of the City of Aurora, Colorado) as of and for the year ended December 31, 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Honorable Mayor and Members of City Council
City of Aurora, Colorado

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Division as of December 31, 2019, and the changes in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

These financial statements were prepared to conform with Scientific and Cultural Facilities District (SCFD) requirements. As discussed in Note 1, the financial statements of the Division are intended to present the financial position and changes in financial position of the portion of the City of Aurora, Colorado that is attributable to the transactions of the Division. They do not purport to, and do not, present fairly the financial position of the City of Aurora, Colorado as of December 31, 2019, or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Division’s financial statements. The accompanying budgetary comparison schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated in all material respects in relation to the financial statements as a whole.

BKD, LLP

Denver, Colorado
May 12, 2020
### City of Aurora – Cultural Services Division
#### Balance Sheet
December 31, 2019

**Assets**
- Cash $1,960,551
- Accounts receivable 60,840
- Due from other funds 48
- Restricted assets
  - Due from other governments 228,943
- Total assets $2,250,382

**Liabilities**
- Accounts payable $130,973
- Unearned revenue 98,179
- Total liabilities 229,152

**Fund balance**
- Restricted to culture and recreation 90,920
- Committed to culture and recreation 1,888,263
- Assigned to culture and recreation 42,047
- Total fund balance 2,021,230
- Total liabilities and fund balance $2,250,382

*See Notes to Basic Financial Statements*
City of Aurora – Cultural Services Division
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2019

Revenues
Charges for services:
- Administration $ 50,022
- Performing Arts 524,564
- Museum/Cultural Arts 200,832
- Scientific and Cultural Facilities District Distribution 351,770
- Intergovernmental 177,310
- Donations 52,023
- Miscellaneous 50,544
- Interest 38,521

Total revenues 1,445,586

Expenditures
Current:
- Administration 1,089,702
- Performing Arts 1,233,330
- Museum/Cultural Arts 1,095,032
- Special Events 8,352

Total expenditures 3,426,416

Deficiency of revenues under expenditures (1,980,830)

Other Financing Sources
- Transfers in 2,397,401

Total other financing sources 2,397,401

Net Change in Fund Balance 416,571

Fund balance, January 1, 2019 1,604,659

Fund balance, December 31, 2019 $ 2,021,230

See Notes to Basic Financial Statements
City of Aurora – Cultural Services Division
Notes to Basic Financial Statements
December 31, 2019

Note 1: Organization and Summary of Significant Accounting Policies

Organization

The activities of the City of Aurora – Cultural Services Division (the Division) are primarily accounted for as a part of the special revenue funds of the City of Aurora, Colorado (the City). The City of Aurora – Cultural Services Division provides, supports, promotes, and develops a cultural environment in Aurora that encourages public involvement and leadership in culture, history, and the arts. The Cultural Services Division financial statements contain the revenues and costs of City personnel and purchased goods and services associated with its activities. The Cultural Services Division is governed by the City Council and a significant portion of the Division’s funding is received from the City. Financial accountability for the Division belongs to the City of Aurora.

Basis of Accounting

The financial statements present only the Division and do not purport to, and do not, present the financial position of the City, as of December 31, 2019 and the changes in its financial position for the year then ended.

Governmental funds financial statements (governmental funds balance sheet and governmental funds statement of revenues, expenditures and changes in fund balance) are reported using the current financial resources measurement focus and the modified-accural basis of accounting. With this measurement focus, the statement of revenues, expenditures and changes in fund balance reports near-term inflows and outflows of financial or available spendable resources. This means that only current liabilities are generally included on the governmental funds balance sheet.

The modified-accural basis of accounting is used for the Division as it is a governmental fund type. Revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined; available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end. Grants are considered measurable and available if 1) they are collected within one year after year-end and 2) all eligibility requirements, including allowable costs, have been met. Expenditures are recorded when the related liability is incurred.

Fund balances are classified as restricted, committed, or assigned. When expenditures are incurred that use funds from more than one classification, the Division will generally determine the order which the funds are used on a case-by-case basis, taking into account any application requirements of grant agreements, contracts, business circumstances, or other constraints. If no other constraints exist, the order of spending of resources will be restricted, committed and, lastly, assigned.

Cash

The Division’s cash is pooled as part of the City’s central cash account. Interest is allocated to the Division based on the average balance of the Division’s funds in the City’s total cash and investment pool.
Unearned Revenue

Under the modified accrual basis of accounting, revenues are recorded when earned and available. Advance ticket sales and class registrations fees are not recognized as revenue until the respective event takes place. Unearned revenues also reflect amounts that have been received before the City has a legal claim to the funds.

Compensated Absences

City policy allows employees to accumulate earned but not used annual leave up to 260 hours. Annual leave hours in excess of the maximum accrual permitted are forfeited on February 28 of the subsequent year. Accrued annual leave is payable to the extent earned. Generally, Career Service employees may convert sick leave hours accumulated in excess of established minimums annually in January to cash payments at a rate of one hour’s pay for every two hours of sick leave up to the established maximum payment hours. Annually in March, Career Service employees may elect to increase their annual leave balances by up to 40 hours per year in exchange for twice the amount of accumulated sick leave over minimum accrual hours. At separation, employees may receive payout of accrued sick leave hours up to established maximums at one-half base pay.

The City records a liability for accrued compensated absences and related payroll taxes. The “vesting method” per GASB Statement No. 16, Accounting for Compensated Absences, is followed to estimate the sick leave liability upon termination. Only the portion of compensated absences that is due is reported as a liability in the fund.

Risk Management

The Division is exposed to various risks and losses related to torts, theft, workers’ compensation, auto liability, unemployment, and lawsuits. The Division is covered for such matters under the City’s risk management program.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ significantly from those estimates.

Basis of Budgeting

The City budgets on a “funds available” basis. Budgetary revenues and other financing sources are considered increases in funds available and budgetary basis expenditures and other financing uses are considered decreases in funds available. In general, funds available are defined as current assets minus current liabilities. However, certain items that are considered current for GAAP accounting are considered long-term for the City budget. An example of this is the Division includes in its budget unearned revenue from grant awards.
City of Aurora – Cultural Services Division
Notes to Basic Financial Statements
December 31, 2019

Note 2: Cash

As of December 31, 2019, the Division’s share of deposits were either insured under FDIC or fully collateralized in accordance with the Public Deposit Protection Act of Colorado.

Note 3: Due From Other Governments

Amount due from other governments at December 31, 2019 were comprised of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scientific and Cultural Facilities District Distribution</td>
<td>$65,982</td>
</tr>
<tr>
<td>Other governmental entities</td>
<td>$162,961</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$228,943</strong></td>
</tr>
</tbody>
</table>

Note 4: Accounts Payable

Accounts payable represents amounts due to vendors and others.

Note 5: Restricted, Committed and Assigned Fund Balance

Fund balance is divided into three classifications; restricted, committed, and assigned. Fund balance is reported as restricted when constraints placed on the use are externally imposed (e.g. by creditors, grantors, contributors). Fund balance is reported as committed when constraints are imposed by formal action (ordinance or resolution) of the City Council, the Division’s highest level of decision making authority. Fund balance is reported as assigned when the intent of the Division is to use the amount for a specific purpose. City Council approved Financial Policies and Guidelines authorize the assignment of fund balances by informal action (no ordinance or resolution) or by the City Manager or the Finance Director as long as Council has been advised of the assignment.

Note 6: SCFD Distribution and City Support

The Division receives a significant portion of its funding from Scientific and Cultural Facilities District (SCFD) revenue and transfers from the City. During 2019, the Division received $2,397,401 in net transfers from the City and recognized $351,770 in revenue from SCFD. These amounts represent 62.38% and 9.15%, respectively, of total funding for the Division in 2019.
Note 7: SCFD Subsequent Event

Due to the COVID-19 pandemic, certain cultural activities were forced to cancel and refund advanced ticket proceeds back to customers. The estimated amount of lost revenue in 2020 due to canceled activities through May is approximately $90,000. Because the duration and resulting economic uncertainties of the pandemic are unknown, the ultimate financial effect cannot be reasonably estimated at this time.
City of Aurora – Cultural Services Division  
Supplementary Information – Budgetary Comparison  
Schedule (non-U.S. GAAP Budgetary Basis)  
Year Ended December 31, 2019

<table>
<thead>
<tr>
<th>Sources</th>
<th>Original Budget</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scientific and Cultural Facilities</td>
<td>$ 283,120</td>
<td>$ 283,120</td>
<td>$ 351,770</td>
<td>$ 68,650</td>
</tr>
<tr>
<td>Charges for services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>30,000</td>
<td>30,000</td>
<td>50,022</td>
<td>20,022</td>
</tr>
<tr>
<td>Performing Arts</td>
<td>559,000</td>
<td>559,000</td>
<td>524,564</td>
<td>(34,436)</td>
</tr>
<tr>
<td>Museum/Cultural Arts</td>
<td>164,000</td>
<td>164,000</td>
<td>200,832</td>
<td>36,832</td>
</tr>
<tr>
<td>Interest</td>
<td>8,850</td>
<td>8,850</td>
<td>38,521</td>
<td>29,671</td>
</tr>
<tr>
<td>Donations</td>
<td>36,000</td>
<td>36,000</td>
<td>52,023</td>
<td>16,023</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>35,000</td>
<td>35,000</td>
<td>60,525</td>
<td>25,525</td>
</tr>
<tr>
<td>Transfers in</td>
<td>2,234,537</td>
<td>2,478,699</td>
<td>2,397,401</td>
<td>(81,298)</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>3,350,507</td>
<td>3,594,669</td>
<td>3,675,658</td>
<td>80,989</td>
</tr>
<tr>
<td>Uses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>1,109,342</td>
<td>1,294,342</td>
<td>1,089,702</td>
<td>204,640</td>
</tr>
<tr>
<td>Performing Arts</td>
<td>1,178,699</td>
<td>1,226,010</td>
<td>1,233,330</td>
<td>(7,320)</td>
</tr>
<tr>
<td>Museum/Cultural Arts</td>
<td>902,770</td>
<td>918,375</td>
<td>1,067,704</td>
<td>(149,329)</td>
</tr>
<tr>
<td>Special Events</td>
<td>18,000</td>
<td>18,000</td>
<td>8,352</td>
<td>9,648</td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td>3,208,811</td>
<td>3,456,727</td>
<td>3,399,088</td>
<td>57,639</td>
</tr>
<tr>
<td>Change in Funds Available</td>
<td>141,696</td>
<td>137,942</td>
<td>276,570</td>
<td>138,628</td>
</tr>
<tr>
<td>Funds Available - January 1, 2019</td>
<td>1,296,340</td>
<td>1,779,357</td>
<td>1,779,357</td>
<td>—</td>
</tr>
<tr>
<td>Funds Available - December 31, 2019</td>
<td>$ 1,438,036</td>
<td>$ 1,917,299</td>
<td>$ 2,055,927</td>
<td>$ 138,628</td>
</tr>
</tbody>
</table>

Reconciliation of Funds Available to U.S. GAAP Fund Balance

Funds Available (Budgetary Basis) - December 31 $ 2,055,927

Adjust for:
- Encumbrances $ 547
- Unspent grant revenue (35,244)

Fund Balance (U.S. GAAP Basis) - December 31 $ 2,021,230
### Item Title:
Business Improvement Districts - 2021 Operating Plans and Budgets

<table>
<thead>
<tr>
<th>Item Initator:</th>
<th>Carol Toth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Source:</td>
<td>Carol Toth, Manager of Accounting, Controller's Office/Chad Argentar, Project Manager, Planning &amp; Development Services/Jennifer Orozco, Project Manager, Planning &amp; Development Services</td>
</tr>
<tr>
<td>Deputy City Manager Signature:</td>
<td>Roberto Venegas</td>
</tr>
<tr>
<td>Outside Speaker:</td>
<td></td>
</tr>
<tr>
<td>Council Goal:</td>
<td>2012: 6.0--Provide a well-managed and financially strong City</td>
</tr>
</tbody>
</table>

### ACTIONS(S) PROPOSED (Check all appropriate actions)
- [x] Approve Item and Move Forward to Study Session
- [x] Approve Item and Move Forward to Regular Meeting
- [ ] Information Only

### 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.)
State statute requires that each Business Improvement District (BID) organized within the city file their proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

### ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)
- The Havana Business Improvement District was approved for organization by City Council in 2007. The 2021 operating plan and budget anticipates project revenues of $549,614 from property taxes, its portion of urban renewal tax increment from the Buckingham Urban Renewal Area, and specific ownership taxes. Combined with carry over funds from 2020, the total 2021 budget is anticipated to be $1,003,040. As in 2020, no additional revenues will be generated from sponsorships. The Havana BID does not anticipate any major public improvements other than its continued communication, marketing, “virtual events”, and branding efforts to capitalize on its strengths and economic development activities to promote the prosperity of the Havana Corridor. Due to COVID-related delays in receiving new property valuations from the County, the Havana BID might update their budget revenue projections prior to City Council approval.

- The Fitzsimons Business Improvement District was approved for organization by City Council in 2011. The 2021 operating plan and budget anticipates funding from square foot charges of commercial buildings for its $9,859 revenue and expected expenditures. The Fitzsimons BID does not anticipate any major public improvements for 2021; its expenditures are primarily directed towards administrative costs and parking enforcement.

- The Porteos Business Improvement District was approved for organization by City Council in 2016. The 2021 operating plan and budget anticipates mainly public improvement fees and property taxes.
for its $178,349 revenue and expected expenditures. The Porteos BID does not anticipate any major public improvements for 2021.

The Parkside at City Center Business Improvement District was approved for organization by City Council in 2017. The 2021 operating plan and budget anticipates developer advances, property taxes and privately imposed public improvement fees for its $1,266,532 revenue and expected expenditures (General, Capital Projects and Debt Service Funds). The Parkside at City Center BID will continue the construction and financing of public improvements in 2021.

The Citadel on Colfax Business Improvement District was approved for organization by City Council in 2017. The 2021 operating plan and budget anticipates mainly developer advances and bond proceeds for its debt service for its $817,439 revenue and expected expenditures (General and Debt Service Funds). The Citadel on Colfax BID anticipates the issuance of debt at the end of 2020 for the funding of public improvements completed by the developer and does not anticipate any other major public improvements for 2021.

The Painted Prairie No. 1 Business Improvement District was approved for organization by City Council in 2017. The 2021 operating plan and budget anticipates developer advances for its $30,000 revenue and expected expenditures. The Painted Prairie No. 1 BID does not anticipate any major public improvements for 2021.

The Painted Prairie No. 2 Business Improvement District was approved for organization by City Council in 2017. The 2021 operating plan and budget anticipates developer advances for its $25,000 revenue and expected expenditures. The Painted Prairie No. 2 BID does not anticipate any major public improvements for 2021.

The Tower Business Improvement District was approved for organization by City Council in 2019. The 2021 operating plan and budget anticipates developer advances for its $75,000 revenue and expected expenditures. The Tower BID will continue the construction and financing of public improvements in 2021.

**QUESTIONS FOR Committee**

Does the Committee wish to forward this item as dual listed to City Council Study Session and City Council Regular Meeting as proposed? The dual listing is being requested due to timing of upcoming City Council meetings; the BID documents are required to be received by the city by 9/30/2020 and the deadline for City Council to approve or disapprove is 12/7/20.

**EXHIBITS ATTACHED:**

2021 Operating Plan and Budget - Citadel on Colfax BID.pdf
2021 Operating Plan and Budget - Fitzsimons BID.pdf
2021 Operating Plan and Budget - Painted Prairie BID No. 1.PDF
2021 Operating Plan and Budget - Painted Prairie BID No. 2.PDF
2021 Operating Plan and Budget - Parkside at City Center BID.pdf
2021 Operating Plan and Budget - Porteos BID.pdf
2021 Operating Plan and Budget - Prelim - Havana BID.pdf
2021 Operating Plan and Budget - Tower BID.pdf
2021-Citaldel-On-Colfax-BID-Budget.pdf
2021-Fitzsimons-BID-Budget.pdf
2021-Havana-BID-Budget.pdf
2021-PaintedPrairie-1-BID-Budget.pdf
2021-PaintedPrairie-2-BID-Budget.pdf
2021-Parkside-City-Centre-BID-Budget.pdf
2021 OPERATING PLAN AND BUDGET

CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT

City of Aurora, Arapahoe 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............................................................................... 1  
2. **ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS** ........ 2  
3. **BOUNDARIES, INCLUSIONS AND EXCLUSIONS** ............................................ 2  
4. **PUBLIC IMPROVEMENTS** ............................................................................... 2  
5. **ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE** ............ 3  
6. **FINANCIAL PLAN AND BUDGET** .................................................................... 3  
7. **2021 ACTIVITIES, PROJECTS AND CHANGES** ............................................... 4  
   (a) Activities.......................................................................................................... 4  
   (b) Projects and Public Improvements ................................................................. 4  
8. **DISSOLUTION** .................................................................................................. 5  
9. **CONCLUSION** ................................................................................................ 5

EXHIBIT A - Director Contact Information  
EXHIBIT B - BID Budget 2021  
   General Fund  
   Debt Service Fund  
   Capital Projects Fund  
EXHIBIT C – District Legal Description
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 Citadel on Colfax 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 will operate 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 2017 Operating Plan 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 2021 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.

D. Ownership of Property or Major Assets. The District will own public improvements as constructed if such improvements are not otherwise dedicated to other public entities for operation and maintenance.

E. Contracts and Agreements. It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is currently party to an Intergovernmental Agreement with the City of Aurora dated August 21, 2017. The District may also enter into agreements with other districts encompassing adjacent developments in order to cooperate on infrastructure projects.
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The Citadel on Colfax Business Improvement District was organized by the City of Aurora, Colorado by Ordinance No. 2017-35 on October 28, 2017.

B. Governance. The District is governed by an elected Board of Directors.

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

1) Donald J. Marcotte
2) Jazzmine Clifton
3) Vacant
4) Vacant
5) Vacant

Director and other pertinent contact information is provided in EXHIBIT A.

D. Term Limits. The District’s election on November 7, 2017, 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.

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The legal description of the District’s current boundaries is attached as EXHIBIT C. In 2021 and subsequent years, the District anticipates inclusion requests for additional property as boundaries are established and additional property owners participate in the District.

4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide improvements or services outside of the boundaries of the District as part of the project. 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 (the “Public Improvements”). The costs of such Public Improvements, including costs of design, acquisition, construction and financing, are referred to herein as the “Public Improvement Costs.”

5. ADMINISTRATION, OPERATIONS, SERVICES 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

1. 2021 Budget. The proposed 2021 Budget for the District is attached as EXHIBIT B.

2. Authorized Indebtedness. The District held an election on November 7, 2017 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as are necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be $50,000,000.

3. Property Tax and Debt Service Mill Levy Cap. The District taxing ability shall be constrained to a mill levy limitation of up to 50 mills for debt service, provided, however, that if, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation 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.

4. District Revenues. The District anticipates developer funding for initial revenue sources and thereafter revenues derived from property taxes. The District also anticipates utilizing public improvement fees to support public improvement construction.
5. Existing Debt Obligations. The District anticipates issuing debt in the fourth quarter of 2020.

6. Future Debt Obligations. The District may issue debt consistent with this Operation Plan, however, the amount will be determined at the time of issuance.

7. 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.

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

9. 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.

7. 2021 ACTIVITIES, PROJECTS AND CHANGES

(a) Activities

The District will continue with development activity in 2021.

(b) Projects and Public Improvements

The District anticipates undertaking projects related to public improvements in the upcoming year.

(c) Summary of 2021 Activities and Changes from Prior Year

The District anticipates the issuance of debt at the end of 2020 for the funding of public improvements.

Boundary changes: No boundary changes are anticipated.
Changes to board or governance structure: Appointments may be made to the Board of Directors to fill the vacancies.
Mill levy changes: The District anticipates imposing 10 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2021.
New, refinanced or fully discharged debt: The District anticipates a bond issuance of approximately $14,500,000 at the end of 2020 for funding of public improvements.
Elections: None anticipated for the upcoming year.
Major changes in development activity or valuation: Development activity is anticipated to continue for the upcoming year.
Ability to meet current financial obligations: See 2021 Budget attached as EXHIBIT B.

8. DISSOLUTION

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

9. CONCLUSION

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

BOARD OF DIRECTORS:

Donald J. Marcotte
1999 Broadway, Suite 770
Denver, Colorado 80202 303.893.9500
dmarcotte@strategicstoragepartners.com

Jazzmine Clifton
16921 E. Wyoming Drive 720.249.2249
Aurora, CO 80017 jclifton@strategicstoragepartners.com

Vacancy

Vacancy

DISTRICT CONTACT:

Russell W. Dykstra
Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203
303-839-3845
rdykstra@spencerfane.com

INSURANCE AND DIRECTORS’ BONDS:

T. Charles Wilson Insurance Service
384 Inverness Parkway
Centennial, Colorado 80112
303-368-5757

ACCOUNTANT:

Diane Wheeler
Simmons & Wheeler, P.C.
304 Inverness Way South, Suite 490
Englewood, Colorado 80112
303-689-0833
diane@simmonswheeler.com

AUDITOR: (None at this time)
EXHIBIT B

2021 BID Budget
## Citadel on Colfax BID
### Proposed Budget
#### General Fund
##### For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Actual 2019</th>
<th>Budget 2020</th>
<th>Actual 8/31/2020</th>
<th>Estimate 2020</th>
<th>Proposed Budget 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning fund balance</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>-</td>
<td>29,902</td>
<td>6,151</td>
<td>10,000</td>
<td>5,616</td>
</tr>
<tr>
<td>Specific ownership taxes</td>
<td>-</td>
<td>2,392</td>
<td>1,386</td>
<td>2,000</td>
<td>449</td>
</tr>
<tr>
<td>Property taxes ARI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>562</td>
</tr>
<tr>
<td>Specific ownership taxes ARI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>45</td>
</tr>
<tr>
<td>Developer advances</td>
<td>31,769</td>
<td>17,706</td>
<td>33,777</td>
<td>60,000</td>
<td>60,346</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>31,769</td>
<td>50,000</td>
<td>41,314</td>
<td>72,000</td>
<td>67,018</td>
</tr>
<tr>
<td><strong>Total funds available</strong></td>
<td>31,769</td>
<td>50,000</td>
<td>41,314</td>
<td>72,000</td>
<td>67,018</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting/audit</td>
<td>998</td>
<td>2,500</td>
<td>803</td>
<td>1,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Election</td>
<td>928</td>
<td>5,000</td>
<td>1,375</td>
<td>1,375</td>
<td>-</td>
</tr>
<tr>
<td>Insurance/SDA Dues</td>
<td>183</td>
<td>2,500</td>
<td>276</td>
<td>276</td>
<td>2,500</td>
</tr>
<tr>
<td>Legal</td>
<td>29,660</td>
<td>10,000</td>
<td>38,744</td>
<td>67,500</td>
<td>40,000</td>
</tr>
<tr>
<td>Engineering</td>
<td>-</td>
<td>10,000</td>
<td>-</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>2,000</td>
<td>24</td>
<td>1,199</td>
<td>1,000</td>
</tr>
<tr>
<td>Management</td>
<td>-</td>
<td>1,500</td>
<td>-</td>
<td>-</td>
<td>1,000</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>14,551</td>
<td>-</td>
<td>-</td>
<td>7,375</td>
</tr>
<tr>
<td>Aurora Regional Mill levy</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>599</td>
</tr>
<tr>
<td>Treasurer’s Fees</td>
<td>-</td>
<td>449</td>
<td>92</td>
<td>150</td>
<td>84</td>
</tr>
<tr>
<td>Treasurer’s Fees - ARI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8</td>
</tr>
<tr>
<td>Emergency Reserve</td>
<td>-</td>
<td>1,500</td>
<td>-</td>
<td>-</td>
<td>1,952</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>31,769</td>
<td>50,000</td>
<td>41,314</td>
<td>72,000</td>
<td>67,018</td>
</tr>
<tr>
<td><strong>Ending fund balance</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Assessed valuation</strong></td>
<td>$498,371</td>
<td>$561,588</td>
<td>$60,000</td>
<td>$10,000</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

MF Meeting - October 27, 2020
## Citadel on Colfax BID
### Proposed Budget
#### Capital Projects Fund
##### For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning fund balance</strong></td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer advances</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>-</td>
<td>-</td>
<td>14,500,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>-</td>
<td>-</td>
<td>14,500,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total funds available</strong></td>
<td>-</td>
<td>-</td>
<td>14,500,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issuance costs</td>
<td>-</td>
<td>-</td>
<td>450,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Organization costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Legal</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>-</td>
<td>-</td>
<td>11,050,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Repay developer advances</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Repay developer advances - interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to Debt Service</td>
<td>-</td>
<td>-</td>
<td>3,000,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>-</td>
<td>-</td>
<td>14,500,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Ending fund balance</strong></td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>
Citadel on Colfax BID  
Proposed Budget  
Debt Service Fund  
For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Adopted</th>
<th>Actual</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget</td>
<td>8/31/2020</td>
<td>2020</td>
</tr>
<tr>
<td>Beginning fund balance</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Property taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Specific ownership taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer from Capital Projects</td>
<td>-</td>
<td>-</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Interest Income</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>-</td>
<td>-</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total funds available</td>
<td>-</td>
<td>-</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond interest expense</td>
<td>-</td>
<td>-</td>
<td>125,000</td>
</tr>
<tr>
<td>Bond principal</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Treasurer’s fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trustee / paying agent fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>-</td>
<td>-</td>
<td>125,000</td>
</tr>
<tr>
<td>Ending fund balance</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Assessed valuation</td>
<td>$ 498,371</td>
<td>$ 561,588</td>
<td></td>
</tr>
<tr>
<td>Mill Levy</td>
<td>0.000</td>
<td>50.000</td>
<td></td>
</tr>
<tr>
<td>Total Mill Levy</td>
<td>60.000</td>
<td>61.000</td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT C

District Legal Description and Map

LOT 1, BLOCK 1, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 1, BLOCK 2, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 3, BLOCK 2, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 1, BLOCK 7, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 2, BLOCK 7, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOTS 1 – 4, BLOCK 8, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 1, BLOCK 4, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

TRACTS C, E, F, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.
FITZSIMONS BUSINESS IMPROVEMENT
DISTRICT
2021 OPERATING
PLAN

I. SUMMARY

The Fitzsimons Business Improvement District (BID) is an assessment district designed to improve the economic vitality, value and overall commercial appeal of the Ursula Street commercial area through public parking management, signage, enforcement and streetscape improvements between 23rd Street and the southern boundary of The Square at Fitzsimons Filing No. 1, Adams County, in the City of Aurora, Colorado. The BID is financed through charges based on the costs of its improvements and services and the building square footage of commercial property.

BID services are in addition to the services in the area currently provided by the City of Aurora.

Name: Fitzsimons Business Improvement District

Boundaries: The Service Area is The Square at Fitzsimons Filing No. 1, Adams County, City of Aurora, Colorado, and the streets as shown on the BID Service Area and boundary map attached as Exhibit A, Pages 1 and 2.

BID Programs: The overall goal of the BID is economic development of the commercial property within the BID’s service area. BID functions are as follows:

Parking services and public improvements including:
* Parking management
* Signage, including designation of parking spaces for business, parking times, and restrictions

Establishing a District Identity and Image including:
* Signage, wayfinding and gateways
* Design and/or implementation of streetscape and landscape improvements

Basis of Accounting: The basis of accounting utilized in preparation for the 2021 budget for the BID is cash basis. The BID’s budget includes projected revenues and expenditures for its general operation fund.

Budget: Approximately $9,859 will be raised in 2021 through charges per square foot of commercial buildings in the BID.
based upon the costs of BID administration, services, and improvements.

**Methodology:** In order to allocate the costs of the services and improvements to be furnished by the BID in a way that most closely reflects its benefits, the BID will collect charges per square foot levied on commercial property. The estimated annual charge for 2021 will be $0.5557/sq. ft.

**Term:** The BID is a perpetual BID with a City Council review period every five years if desired by the Council. The review will allow for appropriate adjustments to the charge methodology and/or programming, and will allow business and property owners to address and respond to changes as they occur in the BID.

**City Service:** BID services will be in addition to any City services currently provided.

**Governance:** The BID is managed by a 3-member Board of Directors, all of whom are voting members. The Board represents a diverse mix of commercial properties.

**Dissolution:** The BID may be dissolved if property owners representing more than 50% of total commercial acreage and assessed value submit petitions to dissolve it or if the BID fails to submit an operating budget for two successive years and dissolution is approved by City Council.

**II. RECAP OF 2020 BID ACTIVITIES**

In 2020 the BID monitored parking activities.

**III. FITZSIMONS BID 2021 OPERATING PLAN**

As determined by area property and business owners, the top priorities for improvements and activities within the BID include the below listed items. In addition the BID is continuing to work cooperatively with the Fitzsimmons Redevelopment Authority to coordinate access to future FRA projects with the need to maintain and maximize available parking within the BID.

**BID Programs:** The following narrative lists BID programs for operating year 2021. The Board may amend program activities in the subsequent years within the general categories authorized by
state law and in future approved annual operating plans and budgets. Final programs and budgets will be subject to the annual review and approval of the BID Board of Directors.

**Parking Management:**

The commercial area in the BID has limited parking. The property owners and tenants have identified problems with parking spaces being used for long-term purposes and for distant destinations. There are approximately 108 on-street parking spaces available. The primary purposes of the BID are to obtain the ability to control the parking spaces so they may be better utilized for the commercial businesses near the spaces, to develop and implement a parking management program, and to take steps to improve parking utilization and turnover. The expectation is that BID parking management may include signs, space designations, and parking duration limits.

The BID may furnish:

* Design, planning, financing, installation, operation, maintenance, removal and replacement of signs along the City streets within the BID, or placement in parking lanes, and/or on sidewalks in and adjacent to the Premises (i.e. the defined on-street parking space areas as shown on a map attached as Exhibit B). The signs may limit parking times and/or designate allowable uses of parking spaces or areas for particular purposes, and/or words to the effect that parking restrictions will be enforced, potentially including the violators' vehicles will be towed at vehicle owner's expense,

* Removing cars at the vehicle owner's expense in substantially the same manner as a private property owner may remove vehicles when parked in violation of comparable signs,

* Creation of parking management plans,

* Promotion of special events,

* Parking striping.

**District Identity:** In order to create a greater sense that the area is a cohesive commercial district, the following initiatives are recommended:
Visual Identity intended to promote the overall economic health and attractiveness of the area and augment a sense of visual identity, including:

* Gateway signs and/or treatments
* Street furniture and amenities
* Streetscape and landscape design and implementation
* Seasonal banners and decorations
* Maintenance

Capital Improvements such as streetscape, sidewalk and curb improvements. The BID can issue bonds to pay for capital improvements if the BID voters approve the bonds in an election, the Board chooses to do so, and the use of bonds is approved by the City Council in a future Operating Plan. There are no bonds authorized by this Operating Plan. BID funds can be used to match and leverage funds and other resources. There is public interest and necessity for the improvements described herein.

**BID OPERATIONS:**

In order for the BID to effectively work for a more successful commercial area, it is recommended that BID contract personnel, with guidance from the BID Board, should implement the following tasks and activities:

* Maintain communication with City Council, City staff and other civic leaders, other BID’s and constituencies as needed;

Manage and support BID programs:

* Be a point of contact for BID property owners and commercial lessees through periodic discussions, email, in-store visits, and meetings and forums to keep them apprised of the BID’s activities.

There are several ways in which the BID Board can determine to manage and staff its programs, including hiring staff and/or contracting with professional(s) to carry out BID programs. At least initially, BID tasks will be performed by private contractors paid by the BID.
IV. BID 2021 BUDGET

The BID Board will hold a public hearing and adopt the final budget as required by the Colorado Local Government Budget Law.

As shown in Exhibit C, the proposed 2021 budgeted expenditures will be approximately $9,859 as shown in the budget, and budgeted revenue of $9,859 to be raised through an estimated $0.55 (fifty-five cents) per square foot charge on commercial uses/buildings within the BID.

The BID will operate in accordance with the terms of the Business Improvement District Act. The last sentence of Section 31-25-1203(10) states: “Property which is not commercial property and which is within the “service area” of a district shall not be subject to the revenue-raising powers of the district until it becomes commercial property and is included within the district’s boundaries, as provided in Section 31-23-1208.” Therefore, residential properties within the BID will not pay the BID’s per square foot charges.

Charge Methodology: Under Colorado statutes, business improvement districts can generate revenues through several methods, including charges for services rendered by the district, taxes, special assessments, or a combination of any of these. In order to allocate the costs of the improvements and services to be furnished by the BID in a way that most closely reflects the benefits conferred upon the businesses and commercial properties in the BID, the BID shall be authorized to determine, impose and collect charges based upon costs and the square footage of commercial property located in the District. The initial charges are to be a flat rate per square foot, but may vary in the future based on parking and service-related factors.

V. BID GOVERNANCE AND PROGRAM MANAGEMENT

The BID is managed by a Board of Directors consisting of three (3) electors, all of whom are voting members. The BID Board has the following responsibilities:

* Prepare and file the annual BID operating plan and budget with the City in accordance with state legal requirements and ensure compliance with other state laws.

* Provide direction and coordination in carrying out BID funded
improvements and services.

VI. CITY SERVICES

BID services are in addition to any City services currently provided in the area.

VII. TERM

The BID has perpetual existence with a review period every five (5) years. The review will allow for appropriate adjustments to the BID boundary, charge methodology and/or programming. The review also allows business and property owners to address and respond to changes as they occur in the area.
EXHIBIT A
(SERVICE AREA AND BOUNDARY MAP)
EXHIBIT B
(PARKING SPACE MAP)
EXHIBIT C
(2021 Budget)
## FitSimmons Business Improvement District
### 2021 Budget
#### September 21, 2020

### INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BID Fee Revenue</td>
<td>8,039</td>
<td>8,039</td>
<td>9,766</td>
<td>4,947</td>
<td>9,766</td>
<td>5,889</td>
<td>10,162</td>
<td>3,926</td>
<td>9,859</td>
</tr>
<tr>
<td>Fund Advance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>8,039</td>
<td>8,039</td>
<td>9,766</td>
<td>4,947</td>
<td>9,766</td>
<td>5,889</td>
<td>10,162</td>
<td>3,926</td>
<td>9,859</td>
</tr>
</tbody>
</table>

### EXPENSES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advance Reimbursement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bank Service Charge</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dues &amp; Memberships</td>
<td>0</td>
<td>(236)</td>
<td>(236)</td>
<td>(235)</td>
<td>(236)</td>
<td>(320)</td>
<td>(320)</td>
<td>(320)</td>
<td>(320)</td>
</tr>
<tr>
<td>Insurance</td>
<td>(1,525)</td>
<td>0</td>
<td>(1,337)</td>
<td>(1,337)</td>
<td>(1,337)</td>
<td>(1,337)</td>
<td>(1,337)</td>
<td>(1,337)</td>
<td>(1,337)</td>
</tr>
<tr>
<td>Legal</td>
<td>(4,012)</td>
<td>(2,900)</td>
<td>(2,900)</td>
<td>(3,493)</td>
<td>(2,900)</td>
<td>(4,131)</td>
<td>(3,200)</td>
<td>(2,230)</td>
<td>(3,000)</td>
</tr>
<tr>
<td>Marketing &amp; Promotions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Emergency Reserves</td>
<td>0</td>
<td>(293)</td>
<td>0</td>
<td>(293)</td>
<td>0</td>
<td>(305)</td>
<td>0</td>
<td>(200)</td>
<td></td>
</tr>
<tr>
<td>Other Purchased Services</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>(7,537)</td>
<td>(5,136)</td>
<td>(6,766)</td>
<td>(7,065)</td>
<td>(6,766)</td>
<td>(7,788)</td>
<td>(7,162)</td>
<td>(5,805)</td>
<td>(6,859)</td>
</tr>
</tbody>
</table>

### CAPITAL EXPENDITURES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Enforcement</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,000</td>
<td>(3,000)</td>
<td>(3,000)</td>
</tr>
<tr>
<td>Landscaping</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Parking Striping</td>
<td>(500)</td>
<td>0</td>
<td>(3,000)</td>
<td>0</td>
<td>(3,000)</td>
<td>(3,095)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Signs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sign Posts/Installation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Capital Spending</td>
<td>(500)</td>
<td>0</td>
<td>(3,000)</td>
<td>0</td>
<td>(3,000)</td>
<td>(3,095)</td>
<td>(3,000)</td>
<td>(3,000)</td>
<td>(3,000)</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>(8,037)</td>
<td>(5,136)</td>
<td>(9,766)</td>
<td>(7,065)</td>
<td>(9,766)</td>
<td>(10,883)</td>
<td>(10,162)</td>
<td>(8,805)</td>
<td>(9,859)</td>
</tr>
</tbody>
</table>

### NET REVENUES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance - Beginning of Year</td>
<td>5,005</td>
<td>5,005</td>
<td>7,889</td>
<td>12,913</td>
<td>5,772</td>
<td>10,795</td>
<td>5,801</td>
<td>5,801</td>
<td>922</td>
</tr>
<tr>
<td>Fund Balance - End of Year</td>
<td>10,012</td>
<td>12,913</td>
<td>7,889</td>
<td>10,795</td>
<td>5,801</td>
<td>5,801</td>
<td>5,801</td>
<td>922</td>
<td></td>
</tr>
</tbody>
</table>

* Parking enforcement was added at the end of 2019. The 2020 parking enforcement budgeted expenses are estimated at $17,000. We are only charging $3,000 back through the BID.
PAINTED PRAIRIE
BUSINESS IMPROVEMENT DISTRICT NUMBER ONE

2021 OPERATING PLAN AND BUDGET

(City of Aurora, Adams County, Colorado)

Submitted:

September 23, 2020

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 (2020) Services, Activities, Projects and Public Improvements 2
   B. Future Year (2021) Services, Activities, Projects and Public Improvements 2

V. SOURCES OF REVENUE ...........................................................................2
   A. Current Year (2020) Sources of Revenue ...............................................2
   B. Future Year (2021) Sources of Revenue ................................................2

VI. PROPERTY TAX AND MILL LEVY ..........................................................3
   A. Mill Levy Caps ........................................................................................3
   B. Current Year (2020) Mill Levy ...............................................................3
   D. Future Year (2021) Mill Levy .................................................................3

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS ....3
   A. Maximum Debt Authorization ................................................................3
   B. Current Year (2020) Debt Outstanding .................................................3
   C. Future Year (2021) Debt Outstanding ....................................................3

VIII. BUDGET AND FINANCIAL STATEMENTS ............................................3
   A. 2021 Budget ..........................................................................................3
   B. 2019 Financial Statements ....................................................................3

IX. DISTRICT CONTACT INFORMATION .......................................................3
   A. Contact Information ................................................................................3

X. DISSOLUTION ............................................................................................3

XI. CONCLUSION ..........................................................................................4
## EXHIBIT LIST

<table>
<thead>
<tr>
<th>EXHIBIT</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>District Legal Description and Map</td>
</tr>
<tr>
<td>B</td>
<td>Budget and Financial Statements</td>
</tr>
<tr>
<td>C</td>
<td>District Contact Information</td>
</tr>
</tbody>
</table>
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 Painted Prairie Business Improvement District Number One (the “District”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30 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 current 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.


III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The current District boundaries are 0.250 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 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 (2020) Services, Activities, Projects and Public Improvements. As the development within the District is still in the planning stages, the District only undertook administrative functions during 2020.

B. Future Year (2021) Services, Activities, Projects and Public Improvements. During 2021, 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 (2020) Sources of Revenue. The primary source of revenue for the District in 2020 was developer advances. The District imposed a 10.000 mill levy on all property within the District for 2020, all of which was dedicated to the General Fund.

B. Future Year (2021) Sources of Revenue. The primary source of revenue for the District in 2021 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for 2021, 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 (2020) Mill Levy. The District imposed a 10.000 mill levy on all property within the District for 2020, all of which was dedicated to the General Fund.

C. Future Year (2021) Mill Levy. The District intends to impose a 10.000 mill levy on all property within the District for 2021, all of which will be dedicated to the General Fund.

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS

A. Maximum Debt Authorization. The District held an organizational election on November 7, 2017 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 (2020) Debt Outstanding. The District has no outstanding debt obligations.


VIII. BUDGET AND FINANCIAL STATEMENTS

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

B. 2019 Financial Statements. The District’s December 31, 2019 financial statements are attached as Exhibit B. The District was exempt from audit during 2019.

IX. DISTRICT CONTACT INFORMATION

A. Contact Information. Contact information for the District’s accountant and 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 Part 12 of Article 25 of Title 31, C.R.S.
LEGAL DESCRIPTION – PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 1

A PARCEL BEING A PART OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 11, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 11, BEING MONUMENTED AS SHOWN ON THE ATTACHED EXHIBIT, TO BEAR NORTH 00°13'50" WEST, A DISTANCE OF 2658.83 FEET WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 18°41'27" WEST, A DISTANCE OF 227.38 FEET TO A POINT BEING 72.00 FEET, BY PERPENDICULAR MEASUREMENT, WESTERLY OF THE EAST LINE OF SAID SOUTHEAST QUARTER, SAID POINT BEING THE POINT OF BEGINNING;

THENCE SOUTH 89°46'10" WEST, A DISTANCE OF 105.00 FEET;

THENCE NORTH 00°13'50" WEST; A DISTANCE OF 105.00 FEET;

THENCE NORTH 89°46'10" EAST, A DISTANCE OF 105.00 FEET TO A POINT BEING 72.00 FEET, BY PERPENDICULAR MEASUREMENT, WESTERLY OF THE EAST LINE OF SAID SOUTHEAST QUARTER;

THENCE SOUTH 00°13'50" EAST PARALLEL WITH SAID EAST LINE, A DISTANCE OF 105.00 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINING A CALCULATED AREA OF 11,025 SQUARE FEET OR 0.263 ACRE, MORE OR LESS.

THE LINEAL UNIT USED IN THE PREPARATION OF THESE DESCRIPTIONS IS THE U.S. SURVEY FOOT AS DEFINED BY THE UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

I, WILLIAM F. HESSELBACH JR., A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

WILLIAM F. HESSELBACH JR., P.L.S. 25369
FOR AND ON BEHALF OF
CVL CONSULTANTS OF COLORADO, INC.
10333 E. DRY CREEK ROAD, SUITE 240
ENGLEWOOD, CO 80112
ILLUSTRATION FOR EXHIBIT

SE1/4
SEC 11

E1/4 COR SEC. 11
REBAR & 3-1/2" ALUM. CAP
"LS 38003 2007"

S LINE, SE 1/4, SEC. 11
N89°43'32"E 2653 23'

S1/4 COR. SEC. 11
REBAR & 3-1/4" ALUM. CAP
"LS 17666 2002"

POINT OF COMMENCEMENT
SE COR. SEC. 11
REBAR & 3-1/4" BRASS CAP
"LS 16398 1986"

BUSINESS IMPROVEMENT
DISTRICT #1
11.025 S.F.
0.253 AC.

N89°46'10"E
105.00'

S89°46'10"W
105.00'

N00°13'50"W
105.00'

POIN T OF BEGINNING

SCALE: 1" = 200'

THE ABOVE DESCRIPTED PARCEL CONTAINS 11,025 SQUARE FEET OR (0.253 ACRE) MORE OR LESS.
This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.
EXHIBIT B

BUDGET AND FINANCIAL STATEMENTS
## Painted Prairie Business Improvement District #1
### Proposed Budget
#### General Fund
For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Actual 2019</th>
<th>Adopted Budget 2020</th>
<th>Actual 06/30/20</th>
<th>Actual 2020</th>
<th>Estimate 2020</th>
<th>Proposed Budget 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning fund balance</strong></td>
<td>$ -</td>
<td>$ 942</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

**Revenues:**
- Developer advances: 13,328 30,000 6,121 20,722 30,000
- Interest income: - - - - -

**Total revenues:** 13,328 30,000 6,121 20,722 30,000

**Total funds available:** 13,328 30,942 6,121 20,722 30,000

**Expenditures:**
- Accounting / audit: 2,679 5,000 1,711 3,500 5,000
- Engineering: - 5,000 - - 5,000
- Insurance/SDA dues: 805 2,500 2,022 2,022 2,500
- Legal: 9,712 15,000 2,388 15,000 15,000
- Management: - - - - -
- Miscellaneous: 132 1,000 - 200 1,000
- Contingency: - 1,587 - - 645
- Emergency reserve (3%): - 855 - - 855

**Total expenditures:** 13,328 30,942 6,121 20,722 30,000

**Ending fund balance:** $ - $ - $ - $ - $ -

**Assessed valuation:** $ 10 $ 10

**Mill Levy:** 10.000 10.000
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

District Accountant:

Dianne Wheeler
304 Inverness Way South
Suite 490
Englewood, CO 80112
303-689-0833
PAINTED PRAIRIE
BUSINESS IMPROVEMENT DISTRICT NUMBER TWO

2021 OPERATING PLAN AND BUDGET

(City of Aurora, Adams County, Colorado)

Submitted: September 23, 2020

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 (2020) Services, Activities, Projects and Public Improvements .... 2  
   B. Future Year (2021) Services, Activities, Projects and Public Improvements .... 2  
V. **SOURCES OF REVENUE** ................................................................................ 2  
   A. Current Year (2020) Sources of Revenue ....................................................... 2  
   B. Future Year (2021) Sources of Revenue ......................................................... 2  
VI. **PROPERTY TAX AND MILL LEVY** ............................................................... 3  
   A. Mill Levy Caps ............................................................................................... 3  
   B. Current Year (2020) Mill Levy ...................................................................... 3  
   D. Future Year (2021) Mill Levy ...................................................................... 3  
VII. **AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS** .... 3  
   A. Maximum Debt Authorization ....................................................................... 3  
   B. Current Year (2020) Debt Outstanding ......................................................... 3  
   C. Future Year (2021) Debt Outstanding ............................................................ 3  
VIII. **BUDGET AND FINANCIAL STATEMENTS** ............................................... 3  
   A. 2021 Budget ................................................................................................... 3  
   B. 2019 Financial Statements ............................................................................ 3  
IX. **DISTRICT CONTACT INFORMATION** ......................................................... 3  
   A. Contact Information ...................................................................................... 3  
X. **DISSOLUTION** ............................................................................................... 3  
XI. **CONCLUSION** .............................................................................................. 4
<table>
<thead>
<tr>
<th>EXHIBIT</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>District Legal Description and Map</td>
</tr>
<tr>
<td>B</td>
<td>Budget and Financial Statements</td>
</tr>
<tr>
<td>C</td>
<td>District Contact Information</td>
</tr>
</tbody>
</table>
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 Painted Prairie Business Improvement District Number One (the “District”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30 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 current 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.


III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The current District boundaries are 0.250 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 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 (2020) Services, Activities, Projects and Public Improvements. As the development within the District is still in the planning stages, the District only undertook administrative functions during 2020.

B. Future Year (2021) Services, Activities, Projects and Public Improvements. During 2021, 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 (2020) Sources of Revenue. The primary source of revenue for the District in 2020 was developer advances. The District imposed a 10.000 mill levy on all property within the District for 2020, all of which was dedicated to the General Fund.

B. Future Year (2021) Sources of Revenue. The primary source of revenue for the District in 2021 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for 2021, 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 (2020) Mill Levy. The District imposed a 10.000 mill levy on all property within the District for 2020, all of which was dedicated to the General Fund.

C. Future Year (2021) Mill Levy. The District intends to impose a 10.000 mill levy on all property within the District for 2021, all of which will be dedicated to the General Fund.

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS

A. Maximum Debt Authorization. The District held an organizational election on November 7, 2017 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 (2020) Debt Outstanding. The District has no outstanding debt obligations.


VIII. BUDGET AND FINANCIAL STATEMENTS

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

B. 2019 Financial Statements. The District’s December 31, 2019 financial statements are attached as Exhibit B. The District was exempt from audit during 2019.

IX. DISTRICT CONTACT INFORMATION

A. Contact Information. Contact information for the District’s accountant and District’s representative where follow-up inquiries 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 Part 12 of Article 25 of Title 31, C.R.S.
EXHIBIT A

DISTRICT LEGAL DESCRIPTION AND MAP
LEGAL DESCRIPTION – PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 2

A PARCEL BEING A PART OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 86 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 11, AND CONSIDERING THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 11, BEING MONUMENTED AS SHOWN ON THE ATTACHED EXHIBIT, TO BEAR NORTH 84°23’46” EAST, A DISTANCE OF 2645.81 FEET WITH ALL BEARINGS CONTAINED HERIN BEING RELATIVE THERETO;

THENCE SOUTH 84°23’46” EAST, A DISTANCE OF 726.88 FEET TO A POINT BEING 72.00 FEET, BY PERPENDICULAR MEASUREMENT, SOUTHERLY OF THE NORTH LINE OF SAID NORTHWEST QUARTER, SAID POINT BEING THE POINT OF BEGINNING;

THENCE NORTH 89°55’04” EAST PARALLEL WITH SAID NORTH LINE, A DISTANCE OF 105.00 FEET;

THENCE SOUTH 00°04’56” EAST, A DISTANCE OF 105.00 FEET;

THENCE SOUTH 89°55’04” WEST, A DISTANCE OF 111.32 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 827.00 FEET, A CENTRAL ANGLE OF 08°48’40”, AN ARC LENGTH OF 60.74 FEET, THE CHORD OF WHICH BEARS NORTH 04°23’20” EAST, 80.68 FEET;

THENCE NORTH 00°00’00” EAST, A DISTANCE OF 24.59 FEET TO THE POINT OF BEGINNING,

SAID PARCEL CONTAINING A CALCULATED AREA OF 11,198 SQUARE FEET OR 0.257 ACRE, MORE OR LESS.

THE LINEAL UNIT USED IN THE PREPARATION OF THESE DESCRIPTIONS IS THE U.S. SURVEY FOOT AS DEFINED BY THE UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

I, WILLIAM F. HESSELBACH JR., A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

WILLIAM F. HESSELBACH JR., P.L.S. 25669
FOR AND ON BEHALF OF
CVL CONSULTANTS OF COLORADO, INC.
10333 E. DRY CREEK ROAD, SUITE 240
ENGLEWOOD, CO 80112
THE ABOVE DESCRIBED PARCEL CONTAINS 11,198 SQUARE FEET OR (0.257 ACRE) MORE OR LESS.
This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

PAINTED PRAIRIE BUSINESS IMPROVEMENT

<table>
<thead>
<tr>
<th>DISTRICT NO. 2</th>
<th>A PARCEL OF LAND SITUATED WITHIN THE NORTHWEST QUARTER OF SECTION 11, T3S, R66W, 6TH P.M., CITY OF AURORA, ADAMS COUNTY, COLORADO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DESIGNER:</td>
<td>MIP</td>
</tr>
<tr>
<td>CHECKER:</td>
<td>DATE: 4/25/2017</td>
</tr>
</tbody>
</table>
EXHIBIT B

BUDGET AND FINANCIAL STATEMENTS
Painted Prairie Business Improvement District #2  
Proposed Budget  
General Fund  
For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Actual 2019</th>
<th>Adopted Budget 2020</th>
<th>Actual 06/30/20</th>
<th>Estimate 2020</th>
<th>Proposed Budget 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning fund balance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer advances</td>
<td></td>
<td></td>
<td>25,000</td>
<td>2,010</td>
<td>2,010</td>
</tr>
<tr>
<td>Interest income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td></td>
<td></td>
<td>25,000</td>
<td>2,010</td>
<td>2,010</td>
</tr>
<tr>
<td><strong>Total funds available</strong></td>
<td></td>
<td></td>
<td>25,000</td>
<td>2,010</td>
<td>2,010</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting / audit</td>
<td></td>
<td></td>
<td>2,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Engineering</td>
<td></td>
<td></td>
<td>2,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Insurance/SDA dues</td>
<td></td>
<td></td>
<td>2,500</td>
<td>2,010</td>
<td>2,010</td>
</tr>
<tr>
<td>Legal</td>
<td></td>
<td></td>
<td>10,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td>1,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td>2,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td></td>
<td></td>
<td>3,370</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Emergency reserve (3%)</td>
<td></td>
<td></td>
<td>630</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td></td>
<td></td>
<td>25,000</td>
<td>2,010</td>
<td>2,010</td>
</tr>
<tr>
<td><strong>Ending fund balance</strong></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Assessed valuation</strong></td>
<td></td>
<td></td>
<td></td>
<td>$ 10</td>
<td>$</td>
</tr>
<tr>
<td><strong>Mill Levy</strong></td>
<td></td>
<td></td>
<td></td>
<td>10.000</td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT C

DIRECTOR AND OTHER 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

District Accountant:

Dianne Wheeler
304 Inverness Way South
Suite 490
Englewood, CO 80112
303-689-0833
2021 OPERATING PLAN AND BUDGET

PARKSIDE AT CITY CENTRE BUSINESS IMPROVEMENT DISTRICT

City of Aurora, Arapahoe 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 ............................................................................. 1  
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS .... 2  
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS ...................................... 2  
4. PUBLIC IMPROVEMENTS .............................................................................. 2  
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE ...... 3  
6. FINANCIAL PLAN AND BUDGET ................................................................. 3  
7. 2021 ACTIVITIES, PROJECTS AND CHANGES ........................................ 4  
   (a) Activities .................................................................................................... 4  
   (b) Projects and Public Improvements .............................................................. 4  
8. DISSOLUTION ................................................................................................. 5  
9. CONCLUSION .................................................................................................. 5  

EXHIBIT A - Director Contact Information  
EXHIBIT B - BID Budget 2021  
   General Fund  
   Capital Projects Fund  
   Debt Service Fund  
EXHIBIT C – District Boundary Map
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 Parkside at City Centre 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 will operate 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 2017 Operating Plan 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 2021 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.

D. Ownership of Property or Major Assets. The District will own public improvements as constructed if such improvements are not otherwise dedicated to other public entities for operation and maintenance.

E. Contracts and Agreements. It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is currently a party to the Public Finance and Reimbursement Agreement with the Aurora Urban Renewal Authority, Parkside Aurora, LLC, and Parkside at City Centre Metropolitan District, dated March 4, 2019. The District entered into an Intergovernmental District Facilities Construction and Service Agreement with the Colfax Sable Metropolitan District on August 4, 2020, whereby the District is responsible for constructing, operating, and maintaining
certain public improvements benefitting both Districts and the Metropolitan District contributes to the costs related to such construction, operation, and maintenance. The District may also enter into agreements with the City and other districts encompassing adjacent developments in order to cooperate on infrastructure projects.

2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The Parkside at City Centre Business Improvement District was organized by the City of Aurora, Colorado by Ordinance No. 2017-38 on October 28, 2017.

B. Governance. The District is governed by an elected Board of Directors.

C. Current Board. The current Board members are:

1) Donald J. Marcotte
2) Chase LaFranco
3) Tim Fredregill
4) Jason Marcotte
5) Darren Hinton

Director and other pertinent contact information is provided in Exhibit A.

D. Term Limits. A ballot question was included to eliminate term limits for the November 7, 2017 special election. 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.

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

A map of the District’s current boundaries is attached as EXHIBIT C. The District may have inclusion or exclusion requests in the coming year. The District will obtain the City’s approval of any inclusion or exclusion of property in the event such action is necessary.

4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide
improvements or services outside of the boundaries of the District as part of the project. 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 (the “Public Improvements”). The costs of such Public Improvements, including costs of design, acquisition, construction and financing, are referred to herein as the “Public Improvement Costs.”

5. ADMINISTRATION, OPERATIONS, SERVICES 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

1. 2021 Budget. The proposed 2021 Budget for the District is attached as EXHIBIT B.

2. Authorized Indebtedness. The District held an election on November 7, 2017, 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 Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be $50,000,000.

3. Property Tax and Debt Service Mill Levy Cap. The District taxing ability shall be constrained to a mill levy limitation of up to 50 mills for debt service.

4. District Revenues. The District anticipates developer funding for initial revenue sources and thereafter revenues derived from property taxes. The District is the beneficiary of revenues derived from a privately imposed public improvement fee, which are used to support public improvement construction and existing bonds. See proposed 2021 Budget attached as EXHIBIT B.

5. Existing Debt Obligations. On April 9, 2019, the District issued its $13,990,000 Special Revenue and Tax Supported Senior Bonds Series 2019 A (“2019 Bonds”) for the purpose of constructing capital improvements with a public purpose necessary for development. The City Council approved this issuance by Resolution
No. R2019-06, as required by the 2019 Operating Plan. Following the issuance of
the 2019 Bonds, the District has $36,010,000 in remaining debt authorization.

6. Future Debt Obligations. The District does not anticipate issuing debt in the
coming year.

7. 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.

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

9. 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.

7. 2021 ACTIVITIES, PROJECTS AND CHANGES

(a) Activities

The District anticipates continued activity for commercial development in 2021 will be
continuing the construction and financing of the Public Improvements. The District
anticipates providing operation and maintenance services in 2021, including, but not
limited to, parking and street maintenance and operations, including snow removal,
landscaping, stormwater, marketing, and common area maintenance.

(b) Projects and Public Improvements

The District will be undertaking projects and public improvements as development needs
require.

(c) Summary of 2021 Activities and Changes from Prior Year.

The District’s activities will largely consist of district administration and payment of its
existing bonds along with public improvement construction.

**Boundary changes:** The District may have boundary changes in 2021.
**Changes to board or governance structure:** No changes are anticipated in 2021.
**Mill levy changes:** The District anticipates imposing 50 mills for debt service, 13 mills
for operations and maintenance, and 1 mill for ARI mill levy in 2021. In 2020, the District
imposed 50 mills for debt service, 5 mills for operations and maintenance, and 1 mill for
ARI mill levy.
New, refinanced or fully discharged debt: Not anticipated for 2021.
Elections: There will be no election for this upcoming year.
Major changes in development activity or valuation: The District will continue undertaking projects for public improvements during 2021.
Ability to meet current financial obligations: See 2021 Budget attached as EXHIBIT B.

8. DISSOLUTION

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

9. CONCLUSION

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

BOARD OF DIRECTORS:

Donald J. Marcotte
1999 Broadway, Suite 770
Denver, Colorado 80202
303.893.9500
dmarcotte@northstarcp.com

Jason Marcotte
1999 Broadway, Suite 770
Denver, Colorado 80202
303.893.9500
jason@summitcvg.com

Tim Fredregill
12655 W. 54th Drive
Arvada, Colorado 80002
303.216.0420
tfredregill@milenderwhite.com

Chase LaFrano
1150 Galapago Street, #701
Denver, Colorado 80204
303.216.0420
clafrano@milenderwhite.com

Darren Hinton
5390 Lakeshore Drive
Bow Mar, Colorado 80123
303.216.0420
dhinton@milenderwhite.com

DISTRICT CONTACT:

Russell W. Dykstra
Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203
303-839-3845
rdykstra@spencerfane.com

INSURANCE AND DIRECTORS’ BONDS:
T. Charles Wilson Insurance Service
384 Inverness Parkway
Centennial, Colorado 80112
303-368-5757

ACCOUNTANT:
Diane Wheeler
AUDITOR: (None at this time)
EXHIBIT B

2021 BID Budget
General Fund
Capital Projects Fund
Debt Service Fund
# Parkside at City Centre Business Improvement District
## Proposed Budget
### General Fund
#### For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Adopted Budget</th>
<th>Actual 6/30/2020</th>
<th>Actual 2020</th>
<th>Estimated 2020</th>
<th>Proposed 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning fund balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Revenues:**
- Property taxes: 7,055, 1,375, 1,375, 1,375, 19,175
- Specific ownership taxes: 560, 110, 45, 110, 1,534
- PIF revenue: 1,025, - , - , - , 8,679
- Transfer from Parkside Metro District: 7,959, 7,680, 7,421, 7,543, 16,714
- Interest income: - , - , - , - , 9
- Developer advances: 11,007, 55,856, 23,856, 42,026, 65,183

**Total revenues:** 27,606, 65,021, 32,535, 51,054, 111,285

**Total funds available:** 27,606, 65,021, 32,535, 51,054, 111,285

**Expenditures:**
- Accounting/audit: 10,406, 2,500, 19,399, 25,000, 15,000
- Election: - , 5,000, - , - , -
- Insurance/SDA Dues: - , 2,500, 546, 546, 1,500
- Legal: 17,083, 10,000, 12,569, 20,000, 20,000
- Trash: - , - , 911, - , -
- Utilities: - , - , - , 750, -
- Engineering: - , 10,000, - , - , -
- Water: - , 5,000, - , - , -
- Maintenance: - , - , - , 11,800, -
- Lot sweeping: - , - , - , 6,200, -
- Janitorial/Porter: - , - , - , - , 15,000
- Landscaping: - , 5,000, - , - , 14,000
- Snow removal: - , 5,000, - , 3,500, 7,000
- Miscellaneous: 11, 2,000, - , 500, 3,595
- Security: - , - , 2,000, - , -
- Management: - , 1,500, - , - , -
- Contingency: - , 15,000, - , - , 10,000
- Treasurer’s Fees: 106, 21, 21, 21, 288
- Emergency Reserve: - , 1,500, - , 1,487, 3,241

**Total expenditures:** 27,606, 65,021, 32,535, 51,054, 111,285

**Ending fund balance:** $ , - , - , - , -

**Assessed valuation:** $ 275,093, $ 1,475,033

**Mill Levy:** 5,000, 13,000
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning fund balance</strong></td>
<td>$</td>
<td>-</td>
<td>$4,260,001</td>
<td>$2,907,597</td>
<td>$2,907,597</td>
<td>$257,173</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>45,677</td>
<td>30,000</td>
<td>7,161</td>
<td>15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>13,990,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>14,035,677</td>
<td>30,000</td>
<td>7,161</td>
<td>15,000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total funds available</strong></td>
<td>14,035,677</td>
<td>4,290,001</td>
<td>2,914,758</td>
<td>2,922,597</td>
<td>257,173</td>
<td></td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issuance costs</td>
<td>800,912</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Organization costs</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>6,416,855</td>
<td>4,290,001</td>
<td>1,464,071</td>
<td>2,665,424</td>
<td>257,173</td>
<td></td>
</tr>
<tr>
<td>Repay developer advances</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Repay developer advances - interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Transfer to Debt Service</td>
<td>3,910,313</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>11,128,080</td>
<td>4,290,001</td>
<td>1,464,071</td>
<td>2,665,424</td>
<td>257,173</td>
<td></td>
</tr>
<tr>
<td><strong>Ending fund balance</strong></td>
<td>$2,907,597</td>
<td>-</td>
<td>$1,450,687</td>
<td>$257,173</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
Parkside at City Centre Business Improvement District

Proposed Budget

Debt Service Fund

For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Adopted Actual</th>
<th>Proposed Actual</th>
<th>Adopted Actual</th>
<th>Proposed Estimated</th>
<th>Proposed Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019 2020 6/30/2020</td>
<td>2020</td>
<td>2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Beginning fund balance</strong></td>
<td>$ - $3,489,213 $3,469,019</td>
<td>$3,469,019</td>
<td>$2,622,803</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PIF Revenue</td>
<td>70,549</td>
<td>113,354</td>
<td>-</td>
<td>-</td>
<td>78,113</td>
</tr>
<tr>
<td>Property taxes</td>
<td>5,605</td>
<td>1,100</td>
<td>451</td>
<td>1,100</td>
<td>5,900</td>
</tr>
<tr>
<td>Specific ownership taxes</td>
<td>1,411</td>
<td>275</td>
<td>275</td>
<td>275</td>
<td>1,475</td>
</tr>
<tr>
<td>Specific ownership taxes - ARI</td>
<td>112</td>
<td>22</td>
<td>9</td>
<td>22</td>
<td>118</td>
</tr>
<tr>
<td>Transfer from Capital Projects</td>
<td>3,910,313</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer from Parkside Metro District</td>
<td>9,599</td>
<td>16,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest Income</td>
<td>37,497</td>
<td>35,000</td>
<td>9,172</td>
<td>17,000</td>
<td>35,000</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>4,035,086</td>
<td>179,506</td>
<td>23,672</td>
<td>32,162</td>
<td>194,358</td>
</tr>
<tr>
<td><strong>Total funds available</strong></td>
<td>4,035,086</td>
<td>3,668,719</td>
<td>3,492,691</td>
<td>3,501,181</td>
<td>2,817,161</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond interest expense</td>
<td>563,486</td>
<td>874,375</td>
<td>437,188</td>
<td>874,375</td>
<td>874,375</td>
</tr>
<tr>
<td>Treasurer’s fees</td>
<td>1,058</td>
<td>206</td>
<td>206</td>
<td>206</td>
<td>1,106</td>
</tr>
<tr>
<td>ARI Treasurer fees</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Authority fee</td>
<td>11,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,000</td>
</tr>
<tr>
<td>Trustee / paying agent fees</td>
<td>10,000</td>
<td>3,500</td>
<td>3,500</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>ARI Mill levy</td>
<td>1,502</td>
<td>293</td>
<td>-</td>
<td>293</td>
<td>1,571</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>566,067</td>
<td>895,878</td>
<td>440,898</td>
<td>878,378</td>
<td>898,074</td>
</tr>
<tr>
<td><strong>Ending fund balance</strong></td>
<td>$3,469,019</td>
<td>$2,772,841</td>
<td>$3,051,793</td>
<td>$2,622,803</td>
<td>$1,919,087</td>
</tr>
<tr>
<td><strong>Assessed valuation</strong></td>
<td>$275,093</td>
<td>$1,475,033</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mill Levy | 50,000 | 50,000 |
ARI Mill Levy | 1,000 | 1,000 |
Total Mill Levy | 56,000 | 64,000 |
EXHIBIT C

District Boundary Map
2021 OPERATING PLAN AND BUDGET

PORTEOS
BUSINESS
IMPROVEMENT
DISTRICT

City of Aurora, Adams 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 ....................................................................1
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS .......2
   A. Organization ......................................................................................2
   B. Governance ......................................................................................2
   C. Board ...............................................................................................2
   D. Term Limits ......................................................................................2
   E. Advisory Board ................................................................................2
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS ........................................2
4. PUBLIC IMPROVEMENTS .........................................................................2
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE ..............3
6. FINANCIAL PLAN AND BUDGET ...........................................................3
   A. 2021 Budget .....................................................................................3
   B. Authorized Indebtedness ......................................................................3
   C. Property Tax and Mill Levy Caps .....................................................3
   D. District Revenues ...............................................................................3
   E. Existing Debt Obligations ....................................................................3
   F. Future Debt Obligations .......................................................................3
   G. Other Financial Obligations ..............................................................4
   H. Non-Default Provisions ......................................................................4
   I. No City Obligations ............................................................................4
7. 2021 ACTIVITIES, PROJECTS AND CHANGES ..........................................4
   A. Activities ..........................................................................................4
   B. Projects and Public Improvements ...................................................4
8. DISSOLUTION ...........................................................................................4
9. CONCLUSION ..........................................................................................4

EXHIBIT A – Director Contact Information  
EXHIBIT B – BID Budget 2021  
EXHIBIT C – District Map
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 Porteos 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 of Aurora (the “City”) is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District will operate under the authorities and powers allowed under the Business Improvement District Act, Sections 31-25-1201, et seq., Colorado Revised Statutes, 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., Colorado Revised Statutes, as amended, this Operating Plan specifically identifies (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District and (5) such other information as the City may require.

The District’s original 2017 Operating Plan 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. **Purpose.** As may be further articulated in prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2021 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.

D. **Ownership of Property or Major Assets.** The District will own public improvements as constructed if such improvements are not otherwise dedicated to other public entities for operation and maintenance.

E. **Contracts and Agreements.** It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is currently party to an Intergovernmental Agreement Concerning District Operations and Outstanding Reimbursement Obligations with Velocity Metropolitan District Nos. 1-9, dated January 29, 2019. The District may also enter into agreements with the City and other districts encompassing adjacent developments in order to cooperate on infrastructure projects.
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The Porteos Business Improvement District was organized by the City of Aurora, Colorado by Ordinance No. 2016-43 on October 29, 2016.

B. Governance. The District is governed by an elected board of directors.

C. District Board. The District is governed by a Board of Directors consisting of five electors all of whom shall be voting members. The Board members are:

   (1) Mark A. Adams
   (2) Kristen Adams
   (3) Yuriy Gorlov
   (4) Seth C. Rollert
   (5) Melissa M. Shea

The qualifications of the members of the Board of Directors are hereby ratified and affirmed. Director and other pertinent contact information is provided in EXHIBIT A.

D. Term Limits. Term limits were eliminated at the District’s November 2016 election. Members of the Board will be up for election at the May 2022 Regular Election.

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

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

A map of the District’s boundaries is attached as EXHIBIT C. In 2021 and subsequent years, the District anticipates requests for inclusion of additional property as boundaries are established and additional property owners participate in the District.

4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide improvement or services outside of the boundaries of the District as part of the project. 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 (the “Public Improvements”). The costs of such Public Improvements, including costs
of design, acquisition, construction and financing, are referred to herein as the “Public
Improvement Costs.”

5. ADMINISTRATION, OPERATIONS, SERVICES 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. 2021 Budget. The proposed 2021 Budget for the District is attached in EXHIBIT B.

B. Authorized Indebtedness. In November 2016, the District held an election for the
purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such
other matters necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado
Constitution, and the Operating Plan. As provided in prior years’ Operating Plans, the District’s
initial maximum debt authorization was $50,000,000. The District has determined it to be in the
best interests of the District to increase the maximum authorized indebtedness from the initial
maximum debt authorization of $50,000,000 to $100,000,000 to provide the District with the
financial flexibility to efficiently finance the development and construction of the projected public
improvements. The District has determined that the initial maximum debt authorization of
$50,000,000 is not sufficient due to the pace of development and phasing within the District and
that an increase in the District’s maximum debt authorization at this time will best serve the
economic interests of the District and its current and future property owners. Accordingly, the
maximum debt authorization of the District is hereby increased to $100,000,000.

C. Property Tax and Mill Levy Caps. The District taxing ability is constrained to mill
levy limitations of up to 50 mills for debt service, general operations and administrative expenses
due to the on-going operations and maintenance activities to be undertaken by the District within
its boundaries.

D. District Revenues. The District is utilizing developer funding for initial revenue
sources and thereafter revenues derived from property taxes. The District may also be the
beneficiary of revenues derived from a privately imposed public improvement fee.

E. Existing Debt Obligations. The District has no current debt.

F. Future Debt Obligations. The District does not currently anticipate the issuance of
any debt in 2021.
G. **Other Financial Obligations.** The District has entered into agreements including reimbursement and facility acquisitions as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.

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

I. **No City Obligation.** 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.

7. **2021 ACTIVITIES, PROJECTS AND CHANGES**

A. **Activities.** The District will be continuing the construction and financing of the Public Improvements in 2021.

B. **Projects and Public Improvements.** The District will be undertaking projects or public improvements as development needs require.

8. **DISSOLUTION**

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

9. **CONCLUSION**

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

BOARD OF DIRECTORS:

Mark A. Adams
5859 S. Galena Street
Greenwood Village, CO 80111
markaadams@mac.com

Kristen Adams
5859 S. Galena Street Greenwood Village, CO 80111
kristen@roganadams.com

Yuriy Gorlov
19512 East Lasalle Place
Aurora, CO 80013
gorlov@auroraedc.com

Seth C. Rollert
17757 East Crestridge Place
Centennial, CO 80015
sethrollert@rollertavery.com

Melissa M. Shea
1530 E. Nichols Drive
Centennial, CO 80122
beinspired.mms@hotmail.com

DISTRICT CONTACT:

Alan D. Pogue
Icenogle Seaver Pogue, P.C.
4725 S. Monaco St, Suite 360
Denver, CO 80237
303-292-9100
apogue@isp-law.com
EXHIBIT B

2021 BID Budget
Porteos Business Improvement District
Proposed Budget
General Fund
For the Year ended December 31, 2021

<table>
<thead>
<tr>
<th></th>
<th>Actual 2019</th>
<th>Adopted Budget 2020</th>
<th>Actual 03/31/20</th>
<th>Estimated 2020</th>
<th>Proposed Budget 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning fund balance</td>
<td>-</td>
<td>$671</td>
<td>$16,808</td>
<td>$16,808</td>
<td>$55,188</td>
</tr>
</tbody>
</table>

Revenues:
- Property taxes: $87, $212, $56, $212, $212
- Specific ownership taxes: $8, $17, $4, $17, $17
- Developer advances: $71,670, $152,244, $13,789, $100,594, $17,125
- Transfer from Velocity: $93,363, $15,285, $-10,285, $35,000
- Public Improvement Fees: $-14,812, $70,000, $70,000, $-14,812, $70,000, $70,000
- Interest income: $-0, $-0, $-0, $-0, $-0

Total revenues: $165,128, $162,758, $28,661, $181,108, $122,354

Total funds available: $165,128, $163,429, $45,469, $197,916, $177,542

Expenditures:
- Accounting / audit: $10,682, $10,000, $1,988, $10,000, $10,000
- Engineering: $-0, $10,000, $-11,725, $10,000
- Insurance/SDA dues: $16,441, $20,000, $20,231, $20,500, $22,000
- Legal: $72,617, $40,000, $12,505, $50,000, $65,000
- Management: $-0, $1,500, $1,500, $1,500
- Director’s Fees: $9,450, $6,000, $1,200, $6,000, $6,000
- Miscellaneous: $738, $2,000, $-1,000, $2,000
- Utilities: $7,778, $20,000, $126, $12,000, $20,000
- Landscape Maintenance: $30,613, $30,000, $2,841, $30,000, $30,000
- Treasurer’s fees: $1, $3, $1, $3, $3
- Repay developer advances: $-0, $-0, $-0, $-0, $-0
- Contingency: $-0, $19,606, $-0, $-0, $6,044
- Emergency reserve (3%): $-0, $4,185, $-0, $-0, $4,995

Total expenditures: $148,320, $163,294, $38,892, $142,728, $177,542

Ending fund balance: $16,808, $135, $6,577, $55,188, $-

Assessed valuation: $42,490, $42,490

Mill Levy: 5.000, 5.000
EXHIBIT C

District Map
HAVANA BUSINESS IMPROVEMENT DISTRICT

2021 PRELIMINARY OPERATING PLAN & BUDGET  DRAFT AS OF 9/23/2020

I. SUMMARY: *THIS IS A PRELIMINARY OPERATING PLAN & BUDGET FOR 2021.

*The District should receive its preliminary assessed valuation for the current year from the county assessor on or after October 13, 2020 (historically this deadline has been August 25, but due to COVID-19 and related Executive Orders, the deadline has been pushed to October 13, 2020 for the 2021 budget year).

The District is required to file its Operating Plan and a proposed budget for 2021 with the clerk of the municipality in which the District is located by September 30, or as otherwise required by the municipality.

It is important for the District and/or the District’s accountant to provide their attorney’s office with a copy of the proposed budget by September 15 in order to give the law firm time to complete the Operating Plan and file it with the municipality by the September 30 deadline.

This is a preliminary plan and budget to present to the City of Aurora by September 15, 2020. The District can update this preliminary budget for 2021 after they receive the assessed valuation. The District has requested an extension for submission, but while waiting for approval The District is preparing a Preliminary Operational Plan and Budget for 2021 with the previous year’s AV.

Our District attorney Tom George at Spencer Fane LLP advised the district that due to the delay in receiving the assessed valuation certifications from the Assessor, the District can use last year’s 2020 AV certifications as a reasonable estimate. The Final Budget is due on December 15, 2020.

The Havana Business Improvement District (BID) is an assessment district designed to improve the economic vitality, value, and overall commercial appeal of the Havana corridor between East 6th Avenue and East Dartmouth Avenue. The BID is financed through a mill levy based on the assessed value of real commercial property. The BID received its first funding in 2008. The BID provides programming and benefits to business and commercial properties located along the corridor including economic development, establishing a district identity for the area and advocacy programs.

BID services are in addition to the services along the corridor currently provided by the City of Aurora.

Name:  Havana Business Improvement District dba On Havana Street

Boundaries:  The BID boundary encompasses the commercial property on both sides of Havana Street and South Havana Street from East 6th Avenue to the north and East Dartmouth Avenue to the south in the City of Aurora. A map of the BID boundary is attached on the last page of this plan/budget.

BID Programs:  Our overall goal continues to be economic development of the Havana Corridor. The BID has defined three major program areas, listed below. The general goals for each program area for 2020 are as follows. More details about the specific projects and activities under each of the programs can be found in the “Recap of 2020 BID Activities” starting on page 3 of this operational plan.

General Goals by Program:
Project Management/Stakeholders’ Communication/Governance:
- Keep an open line of communication with our stakeholders’ and our Havana District neighbors, engaging them in our plans and economic development activities to promote the prosperity of the Havana Corridor and adjacent neighborhoods.
Hold monthly BID board meetings which are open to stakeholders and the public & host an annual stakeholders’ meeting in November.

Publish our monthly E-newsletter, post important announcements on the homepage of the OnHavanaStreet.com website and social media as the need arises.

Continue regular email communication with stakeholders’, regular in-store visits and connect/promote via social media platforms.

Continue relationships with the City of Aurora, CDOT, RTD and RTD contractors, Arapahoe County and other entities that interact with the Havana BID.

Continue to coordinate BID efforts and day-to-day project management.

Encourage board members and stakeholders to provide input and take the lead on projects and committees.

Continue to utilize and improve our Business Watch Program.

Economic Development & Marketing/Business Consulting & Advocacy:

- Continue to advocate for our stakeholder businesses by acting as a liaison between our stakeholders and the city, county, and other entities; continue to work with the City of Aurora on efforts and programs to help small business.
- Provide new and existing businesses support, facilitating a solution-oriented approach to the day-to-day issues that business owners encounter.
- Continue to maintain an available properties list and respond to requests from business owners and developers looking to expand or locate to the Havana Corridor.
- Continue to focus the budget and our efforts on economic development and marketing/branding of the district.
- Continue special events & promotions to attract people into the district and highlight our businesses.
- Continue to track the effectiveness of marketing efforts and measure successes as possible through sales tax revenue data, website statistics, and TV/radio statistics and other means.
- Continue to support the stakeholders during the Covid-19 recovery and other city, state and federal mandates and regulations.

District Identity & Image/Community Sense & Involvement:

- Continue to promote a sense of community & involvement through the monthly Life On Havana Street E-Newsletter, our TV, print, digital promotions, the OnHavanaStreet.com website and our social networking sites like Facebook, Instagram, Yelp, Google, and You Tube.
- The Executive Director will continue to attend Ward III and IV town meetings to keep the neighbors and consumers informed about BID activities and plans.
- Continue district marker maintenance and replacement as needed.
- Continue assisting the stakeholders with maintenance, code enforcement issues and the graffiti removal program.
- Continue to define our brand by creating a sense of belonging through marketing and special events, portraying On Havana Street as the place to come for your everyday purchases, as well as for unique, high quality experiences in shopping, dining and living and more.
- Continue to brand and market the Havana Motor Mile as the premiere destination for everything automotive.
- Continue to work with the city, the property owners and Dillon Place to move forward on redevelopment of the former Fan Fare property and soon to be Argenta to create a sense of community and a gathering place, in accordance with the Havana North Urban Renewal Plan.
- Continue the Art 2C On Havana, public art program in coordination with the Aurora’s Art in Public Places Commission and install 13 new sculptures biennially.

Basis of Accounting: The basis of accounting utilized in preparation of the 2021 budget for the District is the cash basis. The District’s budget includes projected revenues and expenditures for its general operation fund. (Please see the attached proposed 2021 budget on page 25).

Budget: This is the preliminary budget using the AV from 2020. 2021 AV assessments will not be received until after October 13, 2020 from Arapahoe County. Due to Covid-19 the State of Colorado allowed for an extension. The District typically receives the approximate values
in early August to prepare this report. *Approximately $512,554 in 2020 to be raised through a 4.5 mill levy based upon the assessed value of real commercial property which includes the “current year’s net total taxable assessed valuation” from page 2, line 4 of the Certification of Valuation document from Arapahoe County dated November, 2019 ($97,663,337 x .0045) = $439,485 plus the URA property tax increment from page 2, line 3 of the Certification of Valuation document from Arapahoe County dated November 27, 2019 (“total TIF area increment” - URA Property Tax Increment $16,237,764 x .0045 = $73,069), as well as an estimated $37,000 in specific ownership tax. Please see the attached proposed 2021 budget on page 25.)

Methodology: In order to allocate the costs of the services and improvements to be furnished by the BID in a way that most closely reflects its benefits, the BID will collect a property tax levied on real commercial property. The BID mill levy is 4.5 mills, as approved by BID stakeholders in the Tabor Election in November of 2007. One mill is equal to $1 per $1000 of assessed value.

Bonding: Any bonding would require a vote of electors. The BID shall be authorized to issue bonds in the future at the discretion of and in such amounts as may be determined by the BID board of directors. Approval of a majority of BID electors who vote at an election called for the purpose of authorizing such bonds would be required. **No bonding is planned at this time.**

Term: The Havana BID is a perpetual BID with a mandatory ratepayer and City Council review period every 5 years. The review will allow for appropriate adjustments to the BID boundary, assessment methodology and/or programming, and will allow business and property owners to address and respond to changes as they occur along the corridor.

City Services: BID services will be in addition to any City services currently provided.

Governance: The BID is managed by a 9-member Board of Directors, all of whom are voting members. At least two-thirds of the board seats shall consist of owners of real property or their representatives within the district. At least one board member shall be an elector located in the following geographic segments of the district:

- North of Alameda Avenue
- South of Alameda Avenue and North of Mississippi Avenue
- South of Mississippi Avenue and North of Parker Road
- South of Parker Road

The board will also consist of both large and small property owners and will represent a diverse mix of property use types.

Dissolution: The BID may be dissolved if property owners representing more than 50% of total acreage and assessed value submit petitions to dissolve it or if the BID fails to submit an operating budget for two successive years.

II. RECAP OF 2020 BID ACTIVITIES BY PROGRAM:

**2020 Project Management:** In 2020, the Executive Director worked with BID board members to manage major ongoing projects including:

1. **Covid-19 Recovery Assistance:** On Havana Street experienced over 112+ closures reported in March 2020 during the State of Colorado Stay at Home orders and closures. 90 out of our 100+ restaurants remained open as essentials businesses for take-out, delivery, drive thru and #ColoradoCurbside. Our 20+ auto dealers did close for in-person auto sales for a period; however online sales and auto repair and services remained open as essential businesses. The other automotive relative businesses remained opened during the mandate as essential businesses. The District did its best to support the corridor through any resources, funding, programming, and communications.
We sponsored the **CAFE CURB APPEAL**: Restaurants serving non-contact orders during the pandemic crisis in the Sentinel. It was a designated webpage featuring all the restaurants in Aurora and On Havana Street:  
https://sentinelcolorado.com/news/metro/cafe-curb-appeal-restaurants-serving-non-contact-orders-during-the-virus-crisis/. We also worked with the City of Aurora and Visit Aurora to feature our restaurants on the online *Yum Guide* and an *Aurora takeout webpage* featuring our restaurants. We shared daily Covid-19 updates, blogs and social media support for the businesses. We also created a *Covid-19 resource page* that shared updates, closures and special hours, *Ways to Support On Havana Street*, *How to Stay Safe & Support On Havana Street Businesses*, a Take-out list of Restaurants with links and special accommodations.

The District shared resources from the state and their many departments, Tri-County Health Department, the Colorado Restaurant Association, & SBDC regarding mandates, resources, and funding opportunities. The District did its best to share blogs and news updates on ways to help small businesses or shared access resources during this crisis. We collaborated with hospitals at the Anschutz Medical Campus and Children’s Hospital of Colorado and shared resources and flu vaccines/Covid-19 testing opportunities.

We purchased over $10,000 in gift cards from BID businesses to support them during this time and especially during the mandated closures. These gift cards were purchased from the event giveaways budget and the Secret Santa gift card giveaways. Typically, we do not purchase the event gift cards until the summer months or during the holidays, but the District and board felt that the businesses in the corridor needed support more in March-May 2020. During the pandemic, we continued to post 10-25x a day to promote the BID businesses. We created stories and shared them with collaborators so that the posts would go viral with more engagements. In 2020, collaborating with social media influencers and food bloggers to promote our restaurants, retail and BID businesses was a huge success. Many of the influencers and bloggers created content for some small businesses and even shared promotions to support our corridor.

The Executive Director regularly checked in with our businesses with phone calls, texts and emails and asked how the BID could help. We continued to work Fox Media and Marketing, Kim Fox to create new creative for our April Commercial roll out and promoted the Havana Motor Mile dealerships, parts & services, plus updated the Eat On Havana Street restaurant commercial to encourage take away/ColoradoCurbside.

Monthly we hosted round table discussions, small business outreach events and phone calls with the Governor Polis, local Chambers, Tri-County Health Department, Mayor Coffman, and city council members. The one on one calls with city council members and the mayor truly went a long way with the BID businesses during the uncertain times. It was also a great opportunity to hear the pulse of what the businesses are experiencing.

2. **Havana Street Overlay District Project:** As opportunities arose in 2020, we assisted and encouraged commercial property owners in the BID to update their landscapes according to the Havana Street Overlay District guidelines and improved the overall look and appeal of the District. We also helped property owners work with the City of Aurora regarding site plan updates and improvements. We helped properties connect with City of Aurora planners, landscape architects, code enforcement, Aurora Police Department, and other partners to ease the process of improvements along the corridor.

3. **District Markers in the District:** On Havana Street Logo panels help to brand the District. We currently have 42 logo panels in place at various locations along Havana. We continued with maintenance of existing signs. KIMCO, Village on the Park and their developer improved the landscape plans and gateway district markers for the NW corner of Parker and Havana. These new additional markers were purchased and will be maintained by KIMCO. We are also working with Kum & Go – Havana & Yale and the future Argenta development on establishing district marker signs on their properties. In 2021, the District will budget to improve and replace the existing markers that need maintenance.

4. **Discontinued the Newspaper Condominium Rack Project:** Originally the 90 condominium news racks with about 180 slots were installed in 2011 and then replaced in 2017 & 2018. In 2017, the BID board made a major investment in the District by
replacing half of the existing condo news racks with new racks of the same configuration. We completed the 2nd half of this replacement project in July 2018.

In 2020, the BID explored updating the Memorandum of Understanding with the City of Aurora regarding the number of news rack slots required before the next round of maintenance replacements in the next 4-5 years. However, the BID discovered that the city wanted to discontinue the program entirely on the corridor and create a Memorandum of Understanding directly with the publications and media partners.

Unfortunately, in the first 3 months of 2020, a few locations were damaged completely and one needed repair after auto-related traffic accidents. The news racks were deemed a safety hazard with exposed sharp edges and not properly anchored. The BID had the racks removed immediately and repaired one of the racks. These incidents accelerated the board’s request to discontinue the program due to safety, damage/replacement, and maintenance costs.

The remaining 70 news racks in the corridor were not being utilized and becoming a health hazard. For example, due to the relocation of the RTD bus stops and traffic collisions, many of the existing racks were floating on the corridor not near pedestrians or bus stops. This then attracted graffiti, trash, and some were mowed down by car and bus accidents. The Sentinel also contacted the BID to share that at many of the locations they were no longer putting materials in them due to the low pick up rate. Due to lower print media distribution and the cost of maintenance, the BID reached out to the City of Aurora to reduce the number of racks along the corridor in the MOU. However, the City of Aurora asked the BID if we could discontinue the program entirely to resell the assets to the city or publications. The City of Aurora was concerned about public safety. There were complaints about hazardous items, fluids, and solids in the news racks. Since 2011, the BID has paid $10 per slot, about $900 a month, to the Aurora Media Group to maintain the news racks, remove trash and do small repairs if needed.

In the beginning of 2020, the City of Aurora hoped to re-create and re-purpose our existing news racks to high traffic areas in the city limits. We had 70 news racks with 140 slots for only about five active publications in our area. Unfortunately, due to Covid-19 the City of Aurora could not commit to the removing and re-purposing the racks and understood that the board would need to remove the racks during these uncertain times. Prior to Covid-19, the Board voted to remove the news racks in the corridor and during the Covid-19 recovery the news racks were removed in August and September 2020. The BID is no longer responsible for the expensive maintenance of the new racks and will no longer need to budget for the program in 2021.

5. **Havana Motor Mile:** The Havana Motor Mile committee selected KUSA/9News/KTVD for our TV commercials and digital banner ads in 2020. We updated the commercials with the new dealership names/logos, rebranded and redesigned the commercials to fit the Covid-19 messaging. We ran four two-week flights of TV commercials for the Havana Motor Mile and did social media and website banner promotional ads with 9News. We updated the brand and voice overs for the four TV commercials with a voice designed for the Colorado market. All four commercials for the auto dealerships, auto parts, auto services and restaurants along the Havana Motor Mile had a fresh voice that engaged more viewers. We received great feedback and response from viewers on the updated 2020 commercials.

We ran the updated commercials in February (1.92M impressions), April (1.76M impressions) and July 2020 (2.4M impressions) with a Covid-19 CDC update banner across the screen. In April, Fox Media and Marketing also helped negotiate a buy two get one free promotion for our ad spots. The 3 flights of commercials had a total of about 6 million television impressions. Due to Covid-19, April and July commercials were targeted times during the local news, Ellen, & Saturday Night Live. These commercial runs were very important because at that time the dealerships were closed due to a state mandate. However, we promoted the auto industry as open for business for online auto sales. We also promoted that all parts and services were open as essential businesses. In addition to the Havana Motor Mile specific commercials, we also ran the restaurant commercial in the same
series of flights encouraging the community to safely order take out, pickup and delivery services to our 100+ restaurants in the corridor.

Due to the 400% increase to digital traffic on 9News’ webpage due to Covid-19 updates we launched the “Summer Sale on Havana Motor Mile” banner ads on their webpages. The online digital ad campaign achieved 7 million impressions.

We also have one more flight scheduled to run in November after the election to promote holiday shopping and end of the 2020-year auto sales. We are hoping this will help the auto businesses with additional auto sales and encourage more auto shopping on the Havana Motor Mile.

6. Promoting/marketing our businesses and events: To gain a better return on investment with our marketing budget on KUSA & KTVD, we combined the Havana Motor Mile and Event TV budgets again in 2020. We ran commercials in February and July 2020 and selected times during the local news, Ellen, & Saturday Night Live. We are scheduled for two appearances on Colorado & Company on 9News, ran digital ads and home page takeovers for promotions and giveaways during Covid-19 Stay at Home orders, which were well received. We continued to run regular ads in the Aurora Sentinel, print, web and newsletter ads, and print ads in the Glendale Cherry Creek Chronicle.

In 2020, we continued to establish new relationships and strengthened relationships with various marketing partners that offered free opportunities to promote our district and events. We partnered with the Asian Avenue Magazine throughout the year. This magazine “connects culture and links lives” in the Denver/Boulder area to over 240,000 readers a year and distributed at 400 locations. We have a very diverse community in the District and this magazine featured our businesses, cultural celebrations, dining, shopping, travel, arts and lifestyle. Their most recent reader surveys showed that half of the readers are Caucasians and half Asian Americans, 75% of the readers have college and graduate degrees and over half of the readers have an annual income above $60,000. The magazine presented our businesses and events in their articles and social media at no cost. Many of the features were multiple page spreads on Eat on Havana Street, Boba Drinks, Best of 2019 (many BID businesses won 1st place or were honorable mentions), Lunar New Year, Support Small Businesses, Asian American Hero of CO: Chance Horiuchi, Asian Eats To-Go, grand openings of new businesses, food trends, and highlights of hidden gems to visit in the District.

Another marketing partner was the Community-Campus Partnership. This partnership fosters, promotes and supports mutually beneficial collaborations between the Anschutz Medical Campus and the surrounding Aurora community neighborhoods to improve the health and economic well-being of the Aurora community. This relationship allowed us to promote our district and events to over 30,000 in their workforce at the Anschutz Medical Campus. This campus includes UHealth University of Colorado Hospital (UCH), Children’s Hospital of Colorado, the Rocky Mountain Regional VA Medical Center - VA Eastern Colorado Health Care System and the Bioscience/Fitzsimons Innovation Community.

During Covid-19, we collaborated with Children’s Hospital Colorado’s Corporate and Community Relations, Marketing and Communication and they offered their free virtual talks with their Children’s Hospital Colorado experts to the workforce in the District. This partnership offered programs that helped engage employees in educational and volunteer opportunities. The program also offered digital resources available for various topics that could be shared in newsletters, social channels, company websites, etc. Some of the resource topics included: COVID-19 & Mental Health, Balancing working from home & parenting, Children’s 101, Heart Health, Sleep Issues, Sick Kids 101, Concussion 101, Vaping & Drug Use, Teen Driver Safety, Keeping Kids Active, Kids and Technology, Discipline/Dealing with Defiance, Stress Management, Teen Topics, Depression, Mental Health, Body Image, Stress Management for Kids, Vaccines/Immunizations, Bullying/Cyber Bullying, Sports Medicine, Work-Life Balance, Asthma, Allergies, Celiac, Hydration, Dental Health, Tummy Troubles, Tonsils, Health Myths and more.

In 2020, Visit Aurora hosted numerous marketing campaigns, blogs, videos, photographers, social media promotions, giveaways and featured On Havana Street restaurants and businesses in their marketing. Due to Covid-19, Visit Aurora has been an extraordinary partner and promoted our
businesses to regional visitors and the local Colorado market. During the Stay at Home order, Visit Aurora created a takeout and delivery webpage that featured our 100+ restaurants: VISIT AURORA’S LIST OF TAKEOUT & DELIVERY LIST. VisitAurora.com features many of On Havana Street’s local destination experiences in food and shopping. Their website’s statistics YTD in mid-August 2020 include: 2,642 views on the digital Visitor Guide, 3,593 views on the takeout page, and 2,358 views on the restaurants page.

We ran an On Havana Street ad in the Visit Aurora Guide. Plus, our BID business Snowl, an Asian dessert Café in the corridor, was featured on their front cover. The front-page cover was also used for all the digital campaigns for Visit Aurora throughout the year (blogs, stories, features, & ads). This guide is the definitive resource and most requested item for the 77.7 million visitors arriving annually to the state and has a year-long distribution of 120,000 copies. Due to Covid-19 only 70,000 were distributed and the other 50,000 were direct mailed regionally and locally. This is also a highly trusted and relied upon resource for important buying decisions in our community. The District partnered with Visit Aurora to connect the 65 hotel partners and member hotels in Aurora, Denver, Denver Tech Center and Central Park (formerly Stapleton).

This marketing partner continued to share all the content, photos, video footage, commercials, and press captured at On Havana Street businesses at no cost. The businesses used the same content in their own marketing to update their menus, website, and social media for additional exposure. For example, we collaborated with social media giveaways to promote our destination restaurants and businesses. One of the giveaway campaigns for Visit Aurora’s website launch included a gift card to Bettola Bistro. This campaign generated 1,414 post engagements on Instagram ($100 promoted post for 8 days), 12,314 people reached on Instagram, 4,649 unique visitors VisitAurora.com during the campaign, 10,752 pageviews to VisitAurora.com during the campaign, and 306 total submissions to enter to win (for the week). Bettola Bistro was very happy with the campaign and with their new Executive Chef the restaurant welcomed new customers due to the additional exposure.

In addition to the social media promotions, free online and print marketing campaigns, Visit Aurora hosted the Savings Pass featuring our businesses in the District at no cost. Many of our businesses struggled to market during the Covid-19 challenges and Visit Aurora Savings Pass allowed our merchants and businesses to include a discount and promote their business. Visit Aurora’s annual contract with a company called, “Bandwango” created the pass for the participating businesses. The Savings Pass was typically provided to convention and tournament attendees staying in Aurora or at one of their Denver partner hotels nearby. However, due to Covid-19 Visit Aurora used the Savings Pass to market regionally and locally to support our local economy during the uncertain times. As more hotels and travelers return to visiting Colorado, The Savings Passes will be distributed to the Gaylord Rockies convention groups and several other visiting groups throughout the year. Visit Aurora also marketed the pass to locals and promoted stay-cation options while featuring our diverse, small business restaurants. This partnership program was a great benefit for exposure to the District and drew new business to On Havana Street. 97 businesses have signed up YTD in mid-August 2020. 417 signed up since program launched May 2019.

Due to Covid-19 and the Stay at Home/Safer at Home orders, the Executive Director hosted the Group Sales Teams and hotel management to showcase venues and locations in the District up until March 2020. These hosted visits and tours helped set up hotel site visits to On Havana Street and made reservations for travelers and groups at our restaurants and businesses. Groups of 10-30 visitors/conference groups from partner hotels hosted “offsite” meals and entertainment activities in the District. The hotel shuttled the visitors to Havana to experience our global options of cuisines and entertainment options. This partnership connected the travelers to “Things to do On Havana Street” and attracted more diners and shoppers to the District during their stay in Colorado. Unfortunately, due to safety concerns and there were less travelers and group visitors. Also, due to safety and with group gathering at a maximum of 8 in restaurant reservations the District did not host tours for the rest of the year after the Stay at Home orders in March 2020. The Executive Director instead sent images and lists of businesses that are great destinations for local travelers to the local hotel partners.
Visit Aurora also promoted the District in their featured blogs. Here are some of the On Havana Street featured blogs YTD in mid-August 2020: On Havana Street Businesses Implement New Wave of Tech, Best Noodle Restaurants in Aurora, Colorado, Perfect Patios in Aurora, Aurora's Ethnic Eateries, 4 Reasons to Make Aurora Your Basecamp for Adventure, 6 Must-Sees This Month, A Guide to Hot Pot Eateries in Aurora, Co, 2019 Annual Meeting Recap, Best Ramen Spots in Aurora, Ethnic Eateries, Family-Friendly Halloween Events, Flavors of Fall, Six New Restaurants in Aurora and Best Ice Cream in Aurora.

In addition to all the marketing and advertising support, the Visit Aurora also volunteered and partnered with Aurora Sister Cities International and the District at the July 15, 2020, Food Kitchen Collective Food Drive at the Stampede.

Due to the challenges of Covid-19 Visit Aurora has proposed community funds of about $20,000 to support the businesses in the corridor with marketing and advertising. These monies will aid in stimulating the economy and supporting local businesses during the uncertain times of Covid-19. In late September 2020, The District and Visit Aurora were in the process of collaborating and determining how those funds would be most effective in helping the business district during the future recovery of Covid-19. We are very grateful to the partnership with Visit Aurora and plan to collaborate more in 2021 with regional and local marketing of Aurora, CO.

Visit Aurora Community Funds: The Visit Aurora has also offered $20,000 to support the BID and stimulate the local economy in the corridor. The Executive Director and Visit Aurora are in the process of creating a Love Your Local campaign with the monies in November. The District is exploring a collaborative partnership with Grubhub for the campaign.

In 2020, we continued to focus on strengthening our partnerships with the local Chambers (Asian Chamber, Aurora Chamber, Hispanic Chamber, DTC/Greenwood Village Chamber, Chamber Young Professional Groups, & Women in Business committees), Diversity and Inclusion councils, the National Restaurant Association, Colorado Restaurant Association, the K-Town membership, the Aurora South Metro SBDC, Colorado Enterprise Fund, GAP Fund, Mile High United Way – United for Business, Kaiser ICCC, CEDS Finance, Colorado Minority Business Office, the Colorado Korean Association, Rocky Mountain K-Pop, Aurora Sister Cities International, Aurora Asian Pacific Development Center, Aurora Asian Pacific Community Partnership, 5280 Dragon, Asian Avenue Magazine, Korean Daily, City of Aurora’s Office of International and Immigrant Affairs, Point in Time Count, Aurora Pride, Consulado de El Salvador en Aurora by promoting, collaborating and hosting virtual events with On Havana Street businesses. Covid-19 allowed us to strengthen our partnerships by co-hosting and collaborating on resources, grants, and recovery efforts.

Throughout the year the Executive Director also collaborated on projects, shared updates, presented and hosted economic development and business tours along the corridor to the City of Aurora’s Business Advisory Board, Ward 3 & Ward 4 meetings, City of Aurora Department of Communications & Marketing, City of Aurora Traffic Department, Arapahoe County Census 2020, 2020 Census representatives, Aurora Be Counted, Arapahoe County Workforce Development, Mayor Mike Live, Aurora TV segments regarding Covid-19, events, public meetings and support of the corridor, City of Aurora Planning & Economic Development (PED) meetings, Neighborhood Services (Horns) meetings, Aurora Rotary, Aurora Realtors Association, Governor Polis, HD 42 Domonique Jackson, former Governor Hickenlooper, Rep. Jason Crow, the African Leadership Group, Tri-County Health Department Business Task Force, Visit Aurora, Colorado Retail Council, Rocky Mountain Shopping Centers Association, Colorado Food Bloggers, 303 Magazine, 5280 Magazine, Colorado Yelp, Westword, Denver Post, Aurora Day Resource Center/Comitis Crisis Center/Aurora Street Outreach, Downtown Colorado Inc, Aurora Police Department, Cops Fighting Cancer, Aurora Rotary Club, Buckley AFB Public Affairs, Marketing, Community Relations & the Panther Den (Buckley community center on base), Buckley Spouses, Hearts Apart, and the Veteran Affairs Commission.
Hotel Key Card Marketing to locals and travelers: This year we continued to market to travelers and hotel guests with the Capture Those Travelers and hotel partners despite the decline in out of state travelers and conventions. We marketed hotel key card marketing and promotions of On Havana Street and the Havana Motor Mile with aloft Denver International Airport, Hilton Garden Inn Denver Airport, and TownPlace Suites By Marriott Denver Airport at Gateway Park. The Aloft hotel has 144 rooms and sees about 80,000 guests annually (about 60,000 impressions). The Hilton hotel has 157 rooms and sees about 90,000 guests annually (about ~60,000 impressions). The TownPlace Suites Marriott has 99 rooms and sees about 65,000 guests annually (about 40,000 impressions). 2020 did see less impressions, but this meant that our key cards would stay in circulation from May to October 2020 vs May to August 2020 to achieve the full number of impressions at each hotel. We plan to continue this marketing strategy in 2021 and negotiated the contract down from a value of $15,000-20,000 to $10,000 due to decline in travelers to local hotels due to Covid-19.

City Sales Tax Revenue history: We have seen percentage increases in all three city sales tax categories since we started tracking in 2010. Bill Levine at the City of Aurora a Sales Tax Report as of September 2020, review here. Levine shared that when comparing 2019 and 2020’s YTD, as of the end of September 2020, the Total Sales Tax collected was at $131,782 6.5% down compared to the $146,831 total sales tax collected YTD in September 2019. YTD Sales Tax collected was $15.3M as of 9/2020. Food and Dining Sales Tax was about $2.4M, Auto Dealers & Parts was about $3.8M and Total Use Taxes was about $131,782. Our Sales Tax by percent change from prior year as of 9/2020: Total Sales Tax is at ~2.8% YTD, Food & Dining is at ~15% YTD, Auto Dealers is at -12.7% YTD, and total Use tax is at ~6.5%YTD. Overall, the District is doing better than most shopping districts and special districts, despite the pandemic. However, we expect the sales tax to decline as we expect more business closures and empty leases in the next two to six months due to the challenges of Covid-19.
<table>
<thead>
<tr>
<th>YEAR</th>
<th>AUTO DEALERS &amp; PARTS</th>
<th>FOOD &amp; DINING</th>
<th>TOTAL SALES TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$3,435,800</td>
<td>$1,788,855</td>
<td>$13,097,290</td>
</tr>
<tr>
<td>2011</td>
<td>$3,769,713</td>
<td>$2,019,244</td>
<td>$13,680,196</td>
</tr>
<tr>
<td>2012</td>
<td>$4,934,651</td>
<td>$2,374,026</td>
<td>$15,636,441</td>
</tr>
<tr>
<td>2013</td>
<td>$5,295,256</td>
<td>$2,424,008</td>
<td>$16,339,128</td>
</tr>
<tr>
<td>2014</td>
<td>$5,897,049</td>
<td>$2,810,906</td>
<td>$18,599,766</td>
</tr>
<tr>
<td>2015</td>
<td>$6,546,804</td>
<td>$3,081,998</td>
<td>$20,193,012</td>
</tr>
<tr>
<td>2016</td>
<td>$6,292,571</td>
<td>$3,058,532</td>
<td>$20,358,224</td>
</tr>
<tr>
<td>2017</td>
<td>$6,628,639</td>
<td>$3,072,734</td>
<td>$21,049,286</td>
</tr>
<tr>
<td>2018</td>
<td>$6,343,937</td>
<td>$3,557,848</td>
<td>$21,105,961</td>
</tr>
<tr>
<td>2019</td>
<td>$5,923,499</td>
<td>$3,760,494</td>
<td>$21,150,961</td>
</tr>
<tr>
<td>2020 as of 9/2020</td>
<td>$3,830,556</td>
<td>$2,398,277</td>
<td>$15,528,761</td>
</tr>
</tbody>
</table>

6) Art 2C On Havana Exhibition: We have 13 sculptures in place along Havana Street in our public art-on-the-street exhibition. Art 2C On Havana is a public/private partnership between the Havana BID and Aurora’s Art in Public Places (AAIPP). The Havana BID budgeted $39,000 annually towards this program, paying for artist stipends, awards, supplies, and the tentative annual November/December 2020 Art 2C Gala. Due to Covid-19 and large gatherings restrictions we plan to do a virtual awards ceremony with the commission, BID Board and artists. The Havana BID board supports public art as an economic development tool and a chance to further brand The District. The exhibition provides residents and visitors a unique way to experience the Business District. Public art boosts real estate values and creates opportunities for local businesses to thrive.

In 2020, we increased the Art 2C stipend from $1000 to $2500 and changed the program from annual to biennial. The District and the Aurora Art in Public Places Commissioners updated the program from an annual public art program to a biennial, every two-year, art exhibition due to cost savings and logistics, elevating our program’s entries and art submissions, and we received feedback from the community to have the sculptures displayed longer. The exhibition is scheduled to open in October 2020 and the selected artists should anticipate installing their artwork in the last week of September 2020 and the first week of October 2020. The 2020-2022 program’s de-installations are expected to be done mid-September 2022 to early October 2022.

The BID Board voted to increase the artists stipend to accommodate for the two-year program from $1000 to $2500 for 2020-2022 based on the art commission’s analysis of other Colorado public art stipends. The BID Board and AAIPP felt that $2500 would allow Art 2C to be more competitive with other local public art programs with the increased stipend amount and attract quality submissions. The exhibiting artists will be paid a $2,500 stipend for the transportation, installation, and de-installation of their artwork. The Havana BID also budgeted funds for awards in the following amounts: 1st Place: $1,250, 2nd Place: $750 and 3rd Place: $500 to be mailed to the awarded artists at the ART2C Virtual Award Ceremony.

Typically, the BID co-hosts the Art2C Gala in November at the Schomp Subaru; however due to Covid-19 the hosting of the event at this time is uncertain until large gatherings are permitted. We will host a virtually event to award the winning artists. The public art has been well received by the business owners and is valued by our neighbors, customers, visitors, and businesses. Due to its popularity and success, we plan to grow the program in 2022 as future developments like Argenta, housing development in progress, will allow for public art features in their master plans.

7) Havana North Urban Renewal Area & Argenta: The Havana North Urban Renewal area straddles the northern corridor of Havana Street from Sixth Avenue, south to Bayaud Street. The area generally includes commercial properties along both the east and west sides of the street. A key concept associated with Havana North Urban Renewal Plan implementation is targeted investment that will serve to catalyze development throughout the area and fund future public improvements.

The old 10.3-acre Fan Fare site, which is identified as one of three activity centers within the Havana District Design Concepts Plan, is considered the catalyst project within the area. This site of a former department
store from a bygone era is now one of the largest development opportunities in the busy Havana Business Improvement District. Construction of Argenta is in progress on the site, and will feature 86 townhomes, 206 apartment homes, retail, commercial space and a public park/plaza space.

This location along Havana Street features strong and vibrant retail and automotive co-tenancy, some of the state’s best ethnic restaurants and a balanced mix of national and regional retail. The strong, growing demographics in the area make it ideal for young professionals and families. Historic renovations and older property/building conversions make up much of the development potential nearby.

In August 2019, the City Council unanimously approved the sale of the Argenta property to Dillon Place. Dillon Place has also purchased the Mayan Bar, Woody’s Wings and the gas station near the future Argenta property. Phase 1 of Argenta’s 3.6 acres for 86 townhomes construction is in progress. A ground-breaking celebration was to be scheduled in the beginning of 2020; however due to Covid-19 challenges no ground-breaking was hosted. The 1st phase will be infrastructure related: roads, utilities, water, and sewers. The Master Plan amendment and Site Plan gained unanimous approval from the Planning Commission on August 12, 2020. The Argenta development is moving forward and the City of Aurora staff will work with the developer on technical changes to the plan before recordation.

8) Business Watch Issues: With the assistance of the Homeless Street Outreach Team, Aurora Police, City Planners, Aurora Water and Code Enforcement, site plan amendments, we are making progress with helping the folks in the district who are homeless, unhoused and exhibiting “visible poverty”, urban camping, panhandling, shoplifting, graffiti and other crimes are still happening but at a lower level than the past three years. The Executive Director did daily business watch drives until March 2020. The BID could no longer do daily drives with the executive orders and only visited businesses as needed. Due to Covid-19 the Executive Director did Business Watch Drives periodically and when needed after March 2020. During the drives and visits the Executive Director made sure to share resources, thermometers, masks, and Covid-19 Safety posters with the stakeholders.

The BID worked with commercial property owners in the District and helped them with city compliances and the trespassing ordinances. The BID assisted properties and advised on having proper signage and letter of consent on file with Aurora Police to allow police to go onto the property if an incident ever occurred. Our outreach efforts included assisting people in need by sharing the Aurora’s Homeless Resource Guide and providing a bus pass to those in need to get transportation to services at the Day Resource Center. We also assisted in connecting those in need to the Street Outreach Team to transport them to services. If people continue to panhandle and/or urban camp on private property and have refused all our offers to help them, the private commercial property owners had the right to trespass them off their private property. We continue to look for other solutions for this difficult and challenging issue.

10) Automotive Technician Tool Incentive Workforce Program: To help address the severe shortage of trained auto technicians, in 2020 we continued to partner with the repair shops and dealerships in the Havana District and Pickens Tech’s Mechanic Certification program. Our auto technician tool incentive program is a success. We increased the budget to $19,000 to sponsor more student engagement in working on the Havana Motor Mile. The District also increased the budget due to the rising cost of tools and the tool chests. The increased budget also allowed the program to support seven students in 2020.

2020 was the second year we were able to give the ownership keys of the tool cabinet to the students that completed the two-year commitment to the Havana Motor Mile. These students worked at a Havana Motor Mile business for two years and were awarded the official ownership of the tools and tool chest. The Executive Director and Rolf Werner from Pickens Technical delivered the ownership keys to each student on the Havana Motor Mile in late August 2020.

Automotive Technicians need to have their own tools to use on the job. These tools are expensive, especially for someone just starting out in the field. If the auto technician stays employed in the Havana Motor Mile shop for 2 years, the technician is awarded ownership of the tool chest and tools. If the technician leaves the job before the 2-year commitment, then the tools go back to the Pickens Technical Mechanic Certification program to be used by a future student working in a Havana Motor Mile Shop.
Due to Covid-19, Pickens Technical College closed early in March 2020. Students were not allowed to meet in-person and attended trainings virtually. Pickens did not host an in-person graduation ceremony and there was a delay in giving the top 5% of students their tools and tool chests. The BID and board were not allowed to connect with students awarded the tools, but Gary Sliger our BID board member and Rolf Werner, the liaison for the program shared that the tools and chests were distributed in July and the students were hired at Havana Motor Mile dealerships. Our 2020-2022 awardees included: Haven Del Valle at Schomp Subaru, Carlos Martinez at Schomp Subaru, Edgar Henriquez at Schomp Subaru, Fabian Leyva at Tynan's Nissan, Allan Banuelos at Shortline Buick, Dyan Clabaugh at Shortline Buick and Kade Gale at Schomp Mazda. This workforce initiative growth will help to support our 23 car dealerships and over 100 automotive service businesses in our corridor.

11) **Daily BID Operations**: Executive Director performed all day-to-day functions of a special district in Colorado, including ongoing updates to the Havana BID database to keep track of the number of real properties and businesses within the BID's boundaries.

**2020 Stakeholders’ Communication**: In 2020, the BID worked diligently to keep its stakeholders and neighbors informed of events and plans On Havana Street. We also actively updated stakeholders on Covid-19 resources and updates.

- **Monthly Meetings**: We held regularly monthly BID board meetings, which are open to all stakeholders and the public. The agenda is publicly posted prior to the 3rd Thursday meeting at Denny’s located at 1505 S Havana St. to inform and welcome the public. January and February meetings were in-person at Denny's in the corridor and then virtually online for the rest of the year due to Covid-19.
- **Annual Meeting**: We plan to host the Annual Stakeholders’ meeting virtually and will also have it recorded to share with stakeholders that cannot attend.
- **Stakeholders’ Special Notification**: The Havana BID posted notices on the home page at www.OnHavanaStreet.com and sent out regular email updates as needed to keep the business owners informed. We have updated our email distribution lists to allow us to send out communication to specific groups of business owners and citizen supporters; for example, contacting just the restaurant owners, or car dealerships.
- **Consumer Marketing Newsletter**: We published a monthly consumer marketing “Life On Havana Street” E-Newsletter with 4,500+ newsletters being sent out monthly.
- **Regular In-Store visits & social media/website promotions**: Executive Director made regular in-store visits safely to the businesses in the District. We also actively engaged the businesses in attending virtual events, workshops, public meetings, outreach campaigns, and we promoted businesses on social media platforms/website. In addition to actively engaging the stakeholders in community and BID events, we listened to their comments and concerns and hosted multiple listening events with local, state, and federal leaders for assistance in the Covid-19 recovery.
- **Business Watch**: The District sent out regular e-mail Business Watch Alerts to stakeholders as needed. We followed crime stats on the Lexis Nexis Community Crime Map and notified businesses as needed about issues. The crime stats are also shared at every 3rd Thursday Board meeting. We worked with our Aurora Police PAR, Police Area Representatives, officers to distribute shoplifting and auto theft prevention flyers/posters to all our retail businesses. We worked with Aurora Police to develop a Trespassing Ordinance Packet which includes sample signage wording, sample letter of consent to have on file with police, and a sample parking tag for the commercial property owners.
- **Website & Social Media Marketing**: We regularly updated the On Havana Street website with stakeholder and District events, COVID-19 related updates and resources, blog posts, press coverage, photos, news business directory listings, and available properties. We actively engaged and posted daily on Instagram and Facebook. Plus, we created lives, highlights, and story highlights to feature the activities in the District. We updated our YouTube, Google, Instagram and Facebook profiles for marketing and events. We continued to utilize our “responsive” smart-phone friendly website and newsletter. We worked closely with Webolutions to continue the on-going maintenance, updates and effectiveness of our responsive website and newsletter. Both the website and newsletter have been well received. Due to Covid-19, we attended monthly strategy sessions with Webolutions via Zoom. Webolutions assisted in Covid-19 updates, content, and blogs. We created additional business resource drop down tabs on our website for easy accessibility, created a contact page regarding Covid-19 questions, designed pop-up banners to alert visitors about Covid-19 updates and business promotions, hours and open for business marketing.
• Due to the updates, consistently posting blogs, Covid-19 updates and resources and updating and events pages weekly. We have seen an increase in traffic to the website despite not being allowed to host any in-person events this year. Site visits are up 20.89% over the previous year with 64,225 sessions in 2020 vs 56,630 sessions in 2019. 22% of the traffic were NEW USERS.

Channel Contribution: Traffic from Organic search is up 50.13% over the previous year. Organic search accounted for 74.61% of website site visits. We are likely seeing this climb as there has been more concerted effort behind adding content to site to keep it growing, giving it more exposure to site indexing by Google and other search engines.

Behavior Observations: The majority of traffic entered the site via business directory pages, this is up 53% over previous year. This means that more users are directly going to the business directly listing to find information on a business than 24,000 sessions were started on business directly page versus 14,000 sessions that started on the Home Page.

Most business directly traffic originating from Organic Search, which is understandable given the large percent of site traffic from Organic Search. Of the 24,000 starting sessions began on Business Directory, 21,000 of those sessions came from a Google Organic Search.

Interestingly, the second most visited page on the site was for the business Five Below with 3,456 visits (97% of which came from Google Organic Search).

Top Pages: 
Homepage, Five Below, Business Directory, D'Lux Nails and Spa, Events, COVID 19 Adjust Hours and Updates, About Us, 17 Best Things to Do In Aurora, What’s New, & the Aurora Restaurants page.

ENewsletter – Life On Havana Street 
In the past year, list size has grown 4.47%, up to 4,416

This Year
Open Rate: 19%
Click Rate: 37% (total clicks divided by total opens)
Click-Through Rate: 7% (total clicks divided by total emails delivered)

Previous Year
Open Rate: 19%
Click Rate: 41% (total clicks divided by total opens)
Click-Through Rate: 8% (total clicks divided by total emails delivered)

Overall engagement was lower as there were fewer events available to promote due to the COVID shutdown. We did not host the concerts; summer events or car show this year. These signature and summer events are a huge part of our website and eNewsletter traffic. However, the eNewsletter still performed well compared to industry averages of 15 – 25% Open Rates and a 7% Click Through Rate.

Overall, the eNewsletter performed better than most industry averages and continue to see more growth in subscribers every year. Open rates at 19% remained the same from the previous year, but more users clicked on stories in the eNewsletter due to Covid-19 resources and updates.

• Social Media visits down 26.35% at 1,568 sessions which contributed 2.84% of traffic to the website. However, we only ran organic social media posts this past year, versus paid in previous years. As a result, this provide us less reach due to social media algorithms.

• New Social Media - Instagram Page: In April 2018, we created an @OnHavanaStreet Instagram profile featuring pictures of events and happenings in the District to show stakeholders, residents and potential developers and businesses looking to relocate to the District. We have also created trending hashtags like #OnHavanaStreet, #OnHavanaStreet2go, #EatOnHavanaStreet, #HavanaMotorMile, #LiveOnHavanaStreet, #ShopOnHavanaStreet to create social media buzz and trending hashtags to increase followers and likes.

• Partnerships with Food & Lifestyle Bloggers & Micro-Influencers: We utilized partnerships and launched the #OnHavanaStreet2go campaign to showcase the restaurants Covid-19 options for takeout, delivery and pick up options. We posted daily and actively posted Instagram Stories and videos of events, promotions of businesses and featured businesses on our page.
In September 2018, we had 555 followers and 281 posts on our Instagram profile. As of October 2020, we have 1654 followers, 1793 posts, 800+ stories on events, shopping, Havana Motor Mile, food, public art, Covid-19 updates, and resources on our Instagram profile. Through our Instagram page we have established relationships with over 100 food and lifestyle bloggers that often share, promote and highlight our businesses.

- During the Covid-19 shutdowns and closures we partnered with other stakeholders and collaborated on campaigns for #ColoradoStrong #ThisisAurora, #VisitAurora, #Auroragov, #AuroraCO, #AuroraStrong, #SupportLocal, #LoveYourLocal #SupportSmallBusiness, #SupportSmall, #ColoradoCurbside, #AuroraGoBig, #AuroraCensus and so many more.

**Highlights:** Facebook @OnHavanStreet - 3305 follows with 70% women & 29% men, 13 New Page Likes, 345 Check in’s @Cruzin’HavanaCarShow – 2462 follows, Facebook & IG traffic is down in May-Oct. due to cancelled events and no more giveaways

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Followers</td>
<td>725</td>
<td>768</td>
<td>805</td>
<td>839</td>
<td>919</td>
<td>943</td>
<td>966</td>
<td>979</td>
<td>1032</td>
<td>1067</td>
<td>1090</td>
<td>1113</td>
<td>1126</td>
<td>1168</td>
<td>1217</td>
<td>1246</td>
<td>1341</td>
<td>1401</td>
<td>1491</td>
<td>1531</td>
<td>1606</td>
<td>1654</td>
</tr>
<tr>
<td>Posts</td>
<td>442</td>
<td>484</td>
<td>509</td>
<td>538</td>
<td>566</td>
<td>613</td>
<td>645</td>
<td>668</td>
<td>713</td>
<td>747</td>
<td>775</td>
<td>804</td>
<td>821</td>
<td>871</td>
<td>933</td>
<td>1033</td>
<td>1279</td>
<td>1415</td>
<td>1560</td>
<td>1613</td>
<td>1711</td>
<td>1793</td>
</tr>
</tbody>
</table>

- **Keeping up with the Issues:** The Executive Director attended city council study sessions, regular city council meetings, City of Aurora policy committee meetings like the Planning and Economic Development (PED) committee meetings, Housing, Neighborhood Services, & Redevelopment meetings, Housing Task Force meetings, Zoning, Coding, Budget meetings, Management & Finance committee meetings, planning commission hearings and Aurora Chamber of Commerce, Arapahoe County, Community Enterprise Development Services (CEDS), Webolutions Executive Business Roundtable, Women in Executive Leadership Roundtable, Aurora & South Metro Small Business Development Center events to stay on top of the issues that may affect/imact the BID’s businesses and small businesses in general in Aurora. The Executive Director attended other BID and urban renewal training sessions offered by Downtown Colorado, Inc. to strengthen our Districts relationships with other special districts.

- **Annual Audit:** We contracted to have a Government Audit completed in April. The audit is shared with the stakeholders and confirms that the District is a good steward of their tax dollars.

- **Code Complaint Resolution:** The Executive Director worked with code enforcement officers, city, state and CDOT representatives, the Aurora Police Department, property hired security officers, and business owners to address and resolve code complaints. The District worked with business owners to resolve code complaints, avoid code violations and expensive fines on the business owners and help to keep the corridor looking its best.

- **Homeless Outreach:** See above to Business Watch Issues

- **Welcome Committee:** The District and board members contacted new business owners, welcomed them to the District, explained the BID’s responsibilities and offerings, arranged grand opening celebrations, submitted information & marketing to local media/social media. We added the new business and stakeholder to the newsletter distributions, created a business directory profile, updated the BID’s database of properties, and added their contact information to our communications. In addition, we added their business to our social media platforms and followed/liked their profile pages to be informed about future business activities and promotions. We also work to closely with the new businesses and share our resources regarding our business watch information and help to provide any other resources they may need in their new home On Havana Street.

- **Merchants/Neighbors’ Events:** The District postponed and cancelled the 2020 events scheduled to attract business owners and neighbors together, like the Summer Concert Series, Boba & Business, Women in Business Progressive Lunch, and the Art 2C on Havana Gala at Schomp Subaru. Unfortunately, due to Covid-19 all large BID gatherings were cancelled and not permitted due to public safety and executive orders. However, the District did host many Covid-19 outreach virtual events, workshops, and public meetings. The District also hosted outreach calls with the businesses and leaders in the community. During the Covid-19 challenges, Governor Polis...
and former Governor Hickenlooper did host smaller in-person small business round tables in March and August, which allowed businesses to networking and collaborate with one another with recovery efforts.

2020 Economic Development Services:

- **Business Directory:** We updated our business directory photos, contacts, and details on our new responsive website. Webolutions, our marketing partner, continued to do key-word optimization on each of the business directory listings to increase the Google search engine rankings for each individual BID stakeholder business. This business directory gets the most traffic on our website, followed by the upcoming events page.

- **Available Properties Listing:** We continued to revise and update the list of available commercial properties for sale/lease in the Havana corridor on our website to attract and assist future business owners, investors, and developers. This has been a very popular service that generates new business leads and this link is the top 8 most viewed page on our website.

- **Vacancy Rate Survey:** We complete a survey of retail vacancy rates in the Havana corridor every October in preparation for the annual meeting in November. Our first 2008 vacancy rate was 8.6% and over the past decade has decreased. Retail vacancy rate in October 2012 was 6.7%, October 2013 was 2.8%, October 2014 was 2.3%, October 2015 was 4.2%, October 2016 was 4.7%, October 2017 was 2.5%, October 2018 was 2% and October 2019 was 3%. In 2019, we celebrated the 97% occupancy On Havana Street with not many leases available. Due to Covid-19 challenges, we expect to see an increase in vacancy rates due to the challenges and business closures expected in the 4th quarter of 2020.

- **We have updated our resource page “View Available Property List” https://onhavanastreet.com/aurora-colorado-available-properties/** Our Available Properties page on our website is one of the most visited pages and updated annually in October. The District works closely with the City of Aurora Retail Specialist, local Chambers and the Aurora Economic Development Council for referrals and establish interest in the BID corridor. Havana is a very desirable area and in the top 5 producing areas for City of Aurora sales tax generation and revenue. During Covid-19, the District received many inquiries from commercial brokers, interested prospective property owners and many businesses looking to relocate to our district. Businesses inquired looking for space for restaurants, event centers, international bakeries, Korean spas, and specifically looking for properties and leases that allowed for drive-thrus, walk-ups, patio, and outdoor seating options.

- **Kimco’s Village on the Park** at the Parker & Havana intersection saw a huge transformation this year with two new retail tenants, including Five Below and First Watch, A Daytime Café. This $14.5 million redevelopment project is in progress and many of the leases that were scheduled to go into the new space are no longer able to due to Covid-19.

- **AmCap’s Gardens On Havana** – Half of the Toys ‘R US vacancy from Spring 2018 will be a Ross Dress for Less with another retailer occupying the other half of the vacancy. During Covid-19 the AMCAP welcomed GEICO Insurance as a new tenant and no businesses have closed as of August 2020 due to Covid-19 challenges.

- **The Havana Tower** office building is located at Havana & Florida with a very diverse tenants base. The property manager Trevor Benson shared that the occupancy rate was around 78% in mid-August 2020. This building was once at 40% occupancy several years ago and has become an incubator for small business development and growth for our diverse and international communities in Aurora, Colorado. Four tenants moved out due to COVID-19 effects on their business. However, the Havana Tower welcomed three new tenants from June 2020. The Benson also shared that rent collection has been steady throughout the month but not like pre-COVID-19 standards. Havana Tower continues to work with tenants in providing additional outside assistance grants to help with rent payments.

- **Development and Business Assistance:** The District regularly worked with existing business owners and developers by connecting them to resources and contacts in the city about development plans, tenant finish, new business plans, expansions, and code complaint issues. We hosted calls and driving tours of the corridor to share “What’s Happening or Coming Soon to On Havana Street.”

- **Business Attraction:** The District worked with prospective business owners interested in opening a business On Havana Street and offered any assistance from the BID that would help in that process. We are also in the process of updating our website attract various audiences to explore, experience, eat, visit and live On Havana Street. Our goal is to showcase the life, culture, and lifestyle on the corridor to attract businesses, shoppers and residents.

- **New Businesses:** We saw about 30+ new and remodeled businesses making major investments in 2020. With a very low retail vacancy rate we are running out of retail space. The Havana BID has been very busy working with business owners and prospective buyers to provide details about the Havana BID activities, Havana District statistics, and available property details, being the liaison between businesses and the city staff and development services.
Here are some of the new businesses that have opened in the last year, have completed major remodels, or are currently under construction along Havana:

1. Kim’s Fashion - former Mueblas Furniture and Havana Flea Market
2. Ali Grill - Former Koshari Time Cafe @Market Square Remodel and New Menu
3. First Watch, A Daytime Café – February 2020
4. Seoul ManDoo – April 2020 – former Menya Ramen & Poke & Imone Korean Restaurant
5. Five Below – Village on the Park – June 2020
6. Ifka Café - New Ownership & Management – July 2020
8. A New Nail Salon Coming to Havana Exchange Shopping Center
9. Hungry Wolf BBQ – August 2020 - Former Restaurante Fritangas de La Lily
10. Stampede – Remodel March 2020 to August 2020
12. Jordan Motors – upgrades to landscaping
13. Safeway Gas Station - remodel
14. Village on the Park – new monument markers including On Havana Street district markers
15. Kum & Go – 8 Pump Gas Station + Convenience Store – Coming Soon December 2020
16. Stinker Stores Gas Station – remodel
17. Auto Mart Mitsubishi – new sign
18. Havana Square Shopping Center (Havana & Jewel) – New ownership & Management - C&B Inc/John Propp Commercial
19. Thank Sool Pocha – new sign and expanded space in the parking lot due to Covid-19
20. Sushi Katsu – new sign and expanded space in the parking lot due to Covid-19
21. Cody’s Café & Bar – new sign and expanded space in the parking lot due to Covid-19
22. Bettola Bistro – new sign and expanded space in the parking lot due to Covid-19
23. Havana Tower – remodel, paint, and new carpets
24. GEICO Insurance at The Gardens on Havana – Summer 2020
25. Shopping Center Improvements and Remodel – new facade and signage
26. Havana Tower - Dish 4 U LLC, Suite 241
27. Havana Tower - Habesha Mortgage LLC, Suite 802
28. Havana Tower - Friends & Family Insurance Solutions, Suite 806
29. Portico Eritrean & Ethiopian Restaurant & Sports Bar – former El Jaripeo
30. Havana Professional Center – landscaping and parking lot updates
31. Costco – added new cashier stations, new walk-in cooler, and other safety improvements due to Covid-19
32. RTD and the City of Aurora replaced and repaired bus stop benches along the corridor

Closures/Relocations out of the District
1. Gibby’s Big Backyard – Little Pub Company – Closed March 2020
2. Imone Korean Restaurant – Closed January 2020
3. Havana Flea Market Closed – now Kim’s Fashion
4. Restaurante Fritangas de La Lily Closed – now Hungry Wolf BBQ (former Thai Basil building)
5. Windsor Dental Care – Closed Permanently – Did Not Renew Lease
7. Uncle Joe’s Hong Kong Style Bistro – Leased & was under construction during Covid-19 & no longer opening
9. R. Stafford Superstore – Closed on 4/30/2020, purchased by Salon Services and the current lease space was too large so relocated
10. Queen of Angels Catholic Gift & Book Shoppe – Closed prior to Covid-19 & relocated
11. El Jaripeo Sports Bar — Closed Permanently, now Portico Eritrean & Ethiopian Restaurant & Sports Bar
12. Havana Tower - CEDS FINANCE – Plans to relocate in October/November 2020 (expected to relocate in March/April 2020, but delayed due to Covid-19)
13. Havana Tower - Go Medical Rides LLC, Suite 306 - Closed
14. Havana Tower - Technet Academy LLC, Suite 424 - Closed
15. Havana Tower - Haultogo LLC, Suite 244 - Closed
17. CEDS Finance – October 2020 – relocating out of Havana
18. Modern Hair & Design – Gardens on Havana – Closed October 2020, chose not to renew lease
19. GNC Live Well – Corporate Store – claimed bankruptcy – Closed October 2020

**MARKETING/MONTHLY EVENTS:** In 2020, the Havana BID budgeted $115,000 of its annual budget hosting and marketing monthly events to put feet on the street and attract shoppers and customers to our businesses, bringing thousands of people to the Havana District to shop, dine and have fun. However due to Covid-19 the District cancelled most of the events from March to September 2020 and winter events are scheduled to be virtual. The District pivoted and hosted virtual events, supported other stakeholder events, actively advertised businesses on social media and through our print/digital ad contracts, and promoted giveaways online showcasing the stakeholders in the district.
<table>
<thead>
<tr>
<th>DATE</th>
<th>EVENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 6 to February 29, 2020</td>
<td>Rock it Sock It Fundraiser – hosted</td>
</tr>
<tr>
<td>Friday, March 13, 2020</td>
<td>On Havana Street at Buckley AFB - 2nd Friday's at the Panther Den Community Center – Cancelled by Buckley AFB due to Covid-19</td>
</tr>
<tr>
<td>Monday, March 9, 2020</td>
<td>Aurora-South Metro SBDC - Small Business Lunch with Gov. Polis at Nile Ethiopian Restaurant</td>
</tr>
<tr>
<td>All of March 2020</td>
<td>Boba &amp; Business - Networking at SNOWL (cancelled due to Covid-19) + $500 Giveaway hosted online</td>
</tr>
<tr>
<td>March to June 2020</td>
<td>Hosted Stakeholder Virtual Meetings with City, State, and county representatives – Covid-19 Business Support Outreach</td>
</tr>
<tr>
<td>May 1st to 8th, 2020 – Friday to Friday</td>
<td>Eat On Havana Street Week – hosted a $500 Giveaway to experience restaurants in the corridor</td>
</tr>
<tr>
<td>Saturday, May 2, 2020</td>
<td>Community Rose Garden Clean Up – cancelled due to Covid-19</td>
</tr>
<tr>
<td>Friday, May 8, 2020</td>
<td>On Havana Street on Buckley AFB - 2nd Friday's at the Panther Den Community Center with concert and food - OHS hosts CONCERT + BOOTH to collect emails for newsletter, give away gift cards, share marketing about OHS upcoming events - Eat On Havana, Military Discounts, Concerts, &amp; car show – cancelled by Buckley AFB</td>
</tr>
<tr>
<td>Friday, May 22, 2020</td>
<td>BUCKLEY AFB DRIVE IN MOVIE NIGHT - On Havana Street sponsored pizza from 2 OHS restaurants - $500 in medium pizza vouchers from StevO's Pizza + $500 in pizza vouchers Uncle Maddio's Pizza - Board approved $1000 at the 5.21.2020 board mtg since the PANTHER DEN EVENTS BUDGETED FOR WERE CANCELLED</td>
</tr>
<tr>
<td>June 2020 – July 15, 2020</td>
<td>$500 SUMMER GIVEAWAY featuring small business in the district during Covid-19 (The BID included the gift cards purchased in the March/April months to SUPPORT DURING COVID-19 closures)</td>
</tr>
<tr>
<td>Friday, June 19, 2020</td>
<td>13th Annual Cruzin' Havana VIP Dinner for Sponsors &amp; Volunteers - cancelled</td>
</tr>
<tr>
<td>Saturday, June 20, 2020</td>
<td>13th Annual Cruzin' Havana Car Show &amp; Poker Run - cancelled</td>
</tr>
<tr>
<td>Tuesday, June 23, 2020</td>
<td>6MDB - June Rose Garden Concert - cancelled</td>
</tr>
<tr>
<td>Tuesday, June 23, 2020</td>
<td>June Rose Garden Concert + Free Hoagie Night - cancelled</td>
</tr>
<tr>
<td>Tuesday, July 7, 2020</td>
<td>On Havana Street Multi-Modal Study Stakeholder Outreach with the Havana Motor Mile and the Board</td>
</tr>
<tr>
<td>Wednesday, July 15, 2020</td>
<td>Food Kitchen Collective – Food Drive with Aurora Sister Cities International and 19 other BID businesses – ~1000 bags of FREE groceries purchased from small, local and independent businesses in the corridor given to the community and essential workers in the BID</td>
</tr>
<tr>
<td>Saturday, July 18, 2020</td>
<td>National Ice Cream Month in July - Yappy Hour – Celebrate Pets On Havana Street Event with FREE GoodTimes Pawbenders and Giveaways - cancelled</td>
</tr>
<tr>
<td>Tuesday, July 28, 2020</td>
<td>Byron Shaw Projex - Rose Garden Concert - cancelled</td>
</tr>
<tr>
<td>Tuesday, July 28, 2020</td>
<td>Rose Garden Concert Pizza Party - cancelled</td>
</tr>
<tr>
<td>August 2020</td>
<td>On Havana Street Multi-Modal Study Outreach to Stakeholders – One on One Business Visits &amp; Calls with Michael Baker International due to Covid-19</td>
</tr>
<tr>
<td>Friday, August 14, 2020</td>
<td>Asian Avenue Eats To-go Friday Lunch – Support Local Asian Businesses!</td>
</tr>
<tr>
<td>Tuesday, August 25, 2020</td>
<td>Tunisia Band - Rose Garden Concert - cancelled</td>
</tr>
<tr>
<td>Tuesday, August 25, 2020</td>
<td>Rose Garden Concert Ice Cream Social - cancelled</td>
</tr>
<tr>
<td>Wednesday, August 26, 2020</td>
<td>Business Townhall: Co-Hosted by BAB and CM Coombs --- MIN WAGE INCREASE Outreach</td>
</tr>
<tr>
<td>Tuesday, September 22, 2020</td>
<td>Last Days of Summer Dotsero Concert at the Stampede - cancelled</td>
</tr>
<tr>
<td>September – November 2020</td>
<td>Grocery Cart Races at Safeway – Virtual</td>
</tr>
<tr>
<td>November 2020 (rescheduled from 9/15/2020)</td>
<td>Grocery Cart Races After Party &amp; Awards Ceremony - Virtual</td>
</tr>
<tr>
<td>Wednesday, September 30, 2020</td>
<td>Public Meeting – Multi- Modal Study by MBI – Virtual</td>
</tr>
<tr>
<td>Thursday, November 2020</td>
<td>Host Defense Council - Colorado National Guard on Buckley AFB - tentative</td>
</tr>
<tr>
<td>DATE TBD</td>
<td>Defense Council/Military/Veterans - Buckley AFB Leadership Social - cancelled</td>
</tr>
<tr>
<td>October 2020</td>
<td>Trick or Treat On Havana Street at Gardens on Havana (GC PRIZES, COSTUME CONTESTS, CANDY FOR 40 SHOPS, FREE PAWBENDERS &amp; PET COSTUME CONTESTS) – cancelled Virtual Costume Contest Online – Enter to Win Here</td>
</tr>
<tr>
<td>November 2020</td>
<td>Art 2C on Havana Gala- virtual</td>
</tr>
<tr>
<td>Thursday, November 19, 2020</td>
<td>Annual Stakeholders Meeting - virtual</td>
</tr>
<tr>
<td>Saturday, November 28, 2020</td>
<td>Black Friday Weekend - Holiday Caroling with the Aurora Singers - cancelled + Secret Santa Event Gift Cards Giveaways to Shoppers (small group of board members and ED will distribute to shoppers)</td>
</tr>
</tbody>
</table>
2020 Establishing a District Identity & Image:

- See the District Identity major projects listed above under the Project Management Section including On Havana Street District Markers, Art 2C On Havana Exhibition, custom condo news racks, and continue working with the property owners on landscape plans to get compliance with the Havana Street Overlay District plant and tree palate.
- September/October: Art 2C on Havana de-installations and installations x 26.
- We continued to work with Webolutions and Fox Media & Marketing to make sure we are staying true to our brand in all the marketing and promotions that we do.
- The BID discontinued the newsrack program per request of the City of Aurora. The newsracks are scheduled to be removed before the end of 2020 and the winter season. The BID will be working with the Havana Street Multi-Modal Study regarding future opportunities for improvements and assistance on district identity tools to further the improvement of the corridor.
- Continued to actively add photo albums on Facebook, Facebook Stories, Instagram posts, Instastories and on our website to document the events and grand openings in The District.
- Worked with local newspapers, magazines, TV stations and Colorado bloggers, food bloggers and social media influencers to market the District in a positive light and promote our events.

III. HAVANA BID 2021 OPERATING PLAN

As determined by the board of directors, area property and business owners, the top priorities for improvements and activities continue to include the following programs:

- Program Management/Stakeholder Communication/Governance
- Economic Development & Marketing/Business Consulting & Advocacy
- District Identity & Image/Community Sense & Involvement

Economic development continues to be our primary focus, and the BID board further defined what should be included in each of the above programs (see below).

BID PROGRAMS: The following narrative provides recommendations for BID programs and a description of the BID’s plans for 2021, both continuing programs and new programs. The board may amend program activities in subsequent years within the general categories authorized by state law and in the approved annual operating plan and budget. Final programs and budgets will be subject to the annual review and approval of the BID board of directors. The narrative below lists what we plan to continue in 2021 and what is new for 2021.

Economic Development:

In 2021, we plan to continue our ongoing efforts to enhance the overall image and marketability of the Havana corridor and to create a favorable business climate to recruit retain and grow businesses and new development. The BID board of directors sets annual priorities for economic development projects.

Project Management/Ratepayer Communication/Governance:

In 2021 the BID plans to continue to:

- Publish monthly consumer marketing newsletter, Life On Havana Street E-Newsletter and to continue to increase the use of social media like Instagram, Facebook, Linked In, Instagram, YouTube, and Twitter even more to market our events. We will improve the features of our website to elevate the business directory and add more features to assist businesses more during the Covid-19 recovery.
- Work with our International business owners and all our small business owners, facilitating getting them in touch with the business resources they need at the City, the office of International Initiatives, the ASBDC and SBA office, etc.
▪ Work on its ongoing relationships with the City of Aurora, Arapahoe County, CDOT, RTD, Xcel, Comcast and other entities that impact On Havana Street.
▪ Perform the daily duties required of a Special District in Colorado and continue to coordinate BID efforts and manage its programs.
▪ Hold monthly virtual BID board meetings and hold an annual stakeholders’ meeting in November.
▪ The Executive Director will continue to make in-store visits to the businesses in the District to keep them informed and listen to their comments and concerns. Visits will be done based on need due to the Covid-19 safety.
▪ Pursue issues and policies that will positively influence the Havana District, both in the short and long term; the Executive Director will continue to attend policy committee meetings, study sessions and city council meetings.

**Project Management/Ratepayer Communication/Governance:**

**In 2021 the BID plans to continue to:**

▪ Gather the email addresses of more of our stakeholders to add to our distribution lists and business watch email list.
▪ Budget $10,000 for an emergency snow removal fund.
▪ Work with the City on a snow ordinance education campaign to inform business owners and property managers about the 24-hour snow removal code. Snow removal is an annual “hot button” issue, especially with businesses who have bus stops/benches in front of their businesses and have changed management/employees since the last time it snowed, so no one in charge knows the details of the ordinance from one year to the next. The BID Executive Director drives Havana Street after a snowfall, looking to see who has not shoveled out by the bus stops that abut their properties, and then educates the manager/staff on the City’s snow removal ordinance.
▪ Make copies of the Downtown Colorado, Inc. new board member training manual, “The Amazing Colorado BID Board Member Manual” for all new board members and host an orientation meeting with new board members.
▪ Continue to identify and develop new leadership and advocacy opportunities as they arise.

**New for 2021—we plan to:**

▪ The ED will take on the operation of the BID and consult or hire event staff as needed.
▪ Work on a new 5-year strategic plan
▪ The BID Board can work to create new or change existing programs as the need arises throughout the year, using the budgeted board reserves as the board sees fit.
▪ Work on board training, development, and engagement
▪ Focus on stakeholder relationship building and include board members in networking relationships/interactions with BID businesses

**Economic Development Services/Business Consulting & Advocacy:**

**In 2021 the BID plans to continue to:**

▪ Concentrate on promoting and marketing the district in a very positive light through various media including TV, radio, social media and print ads, conveying the message that the Havana District is the place to come for your everyday needs, as well as for unique experiences in shopping, dining and living.
▪ Work with the city’s retail specialist, AEDC and developers to work out the optimal retail mix, identify retailer needs and community needs to get new and unique retailers to locate in the Havana District as space becomes available.
▪ Share store openings and closings, retail sales tax reports, available property info, lease rates and vacancy rates through our newsletters and on our website.
▪ Continue to concentrate on the business watch program—as noted above.
▪ To update the District’s master database to keep an up-to-date listing of all commercial properties and businesses in the Havana corridor.
- Participate in the city’s “All 4 Business” efforts, code updates, Aurora Places—new comprehensive plan, referring new and existing business owners to the City of Aurora Business Development Center.
- Be the liaison between the businesses and the city and to facilitate connecting business owners and the appropriate city staff/services as necessary.
- Host monthly events to put feet on the street and customers in our businesses.
- Develop an annual “snapshot” of The District to present at the Annual Meeting.
- Update the on-line business directory and website to provide the community up-to-date information about the business district and keep the Available Properties list updated.
- Work with the retail marijuana industry in the District and help support the businesses for the overall safety and security of the corridor.
- Continue to work with the Homeless Street Outreach Team, code enforcement, APD and our businesses to attempt to connect persons experiencing homelessness in the District with appropriate services offered in the community. We will also continue to support and co-host the 11th Annual Grocery Cart Races at Safeway with Comitis Crisis Center virtually. This event provides the 65,000 meals per year to the homeless with the support of the community and BID businesses. Typically, we support the event by featuring our Safeway and the event on 9NEWS Colorado and Company, purchase the famous grocery cart trophies and host the after party. However, due to Covid-19 we will help promote the virtual event, support marketing initiatives, and our corridor’s businesses will host the donation boxes for food donations.
- Be on the lookout for other opportunities and partnerships that benefit both our businesses and the community.

**New for 2021—We plan to:**

- Write and produce new Havana Motor Mile TV commercials promoting auto sales, auto service and auto parts sectors to include the new dealerships.
- Work with the Aurora Urban Renewal Authority, Development Services, the Office of Development Assistance, the development team, business owners and neighbors as we begin the redevelopment process and site plan review for “Argenta” the former Fan Fare site on the north end of Havana.
- Work with Kimco on the Village on the Park redevelopment plans and assist in attracting new stakeholders to the remaining leases.
- Work with Western Centers on the new businesses coming to Havana Exchange Shopping Center
- Work with AMCAP at the Gardens on Havana on redevelopment plans and attract new businesses to the leases and empty pads for development
- Work with Visit Aurora to strengthen relationships with hotels and partners to encourage more On Havana Street visitors and brand as an entertainment and foodie destination for visitors and business travel.
- Strengthen partnerships, relationships and community networking with Buckley Air Force Base, Anschutz Community-Campus Partnership, The Chamber, local neighborhoods, retirement communities to attract more visitors and residents to explore, shop, eat, live and experience On Havana Street.
- Think about what we can do to encourage formation of an area-wide transportation plan to connect the Havana District shopping venues with light rail stops, Lowry, Stapleton and the Anschutz Campus, Buckley AFB, Lockheed Martin, Gaylord of the Rockies especially with the redevelopment of the Fan Fare site.
- Continue the Automotive Technician Tool Incentive Workforce Program and connect the new dealerships to the program opportunity

**District Identity & Image/Community Sense & Involvement:**

**In 2021 the BID plans to continue:**

- To remain active on weekly and monthly Havana Street Corridor Multi-Modal Study meetings and inform the stakeholders on new developments and updates regarding the study
To attend other special district outreach meetings and conferences to stay involved and informed in what other special districts are implementing to help with businesses and corridor through the Covid-19 recovery

The “emergency snow removal fund” of $10,000 to allow for hiring of a contractor to assist with snow removal from problem areas in the District in the event of a big snowstorm.

To work with the City of Aurora on other emergency snow removal options for the business district in snow emergencies and continue to re-educate businesses about the snow removal ordinance.

Assisting stakeholders with code enforcement, landscaping improvements and graffiti removal.

To repair district markers as required.

To engage the neighbors/residents through monthly virtual events/communications and by having the BID’s executive director continue to attend town meetings, keeping the neighbors informed about what is happening On Havana Street.

Re-design and create a more responsive website with Webolutions to support businesses through the Covid-19 recovery. We will add features and make the business directory more interactive. Example of features: Covid-19 Process & Procedures, Online Reservations links, Social Media links, Updated Hours/Seasonal Hours, Searchable options for Takeout, Delivery, Dine-In Services, Drive-Thru, Pet Friendly, Live Music, Patio/Outdoor Seating, and more.

Establish more inclusive communications and marketing to the diverse businesses in the corridor.

Explore translating features and applications for our website, blogs, webpages, and content shared with the community.

Continue to host virtual events, Covid-19 resource webinars and workforce solution programming to engage the community and bring people into the District.

To grow the Art2C program and add another site location and sculpture at Sam’s No 3 or other interested stakeholders.

To reserve funds to host the biennial Art 2C on Havana Gala in 2022 to celebrate the ongoing revitalization of the Havana District, acknowledging our use of public art as an economic development tool.

To encourage our stakeholder businesses to notify the Executive Director when the business is having a special open house, event, sale, or customer appreciation event so we can list those in our newsletter and website.

Regular Business Watch & “graffiti sweeps” of the District, looking for and reporting graffiti to get it removed a.s.a.p.

The Executive Director will continue to grow the district image, community sense and BID engagement.

New in 2021—we plan to:

- Focus majority of our efforts to Covid-19 recovery and advocacy. The BID will pivot from hosting community concerts and events to hosting programming and outreach resources for the stakeholders. The District hopes to host trainings, workforce initiative programming and support businesses through collaboration with local and national partners.
- Continue to work with stakeholders interested in adding a new District logo panel marker on their business signage.
- Continue to work with Argenta – Dillon Place to get a new District logo panel marker on the signage of the new development and public art sculpture on the north end of the corridor.
- Continue to work on maintenance of existing district markers and replace the originals that are damaged and in need of repairs.
- Continue to work on our district identity and explore canvas wrapping electrical boxes throughout the corridor.
- Continue to work and collaborate on improvements regarding the Havana Street Corridor Multimodal Study.
- Explore opportunities for public art murals, Windows of Inspirations, and other public art installations that enhance the area.
New in 2021 — we plan to:

- Explore Covid-19 safety enhancements for the corridor. Example: Public Hand-Washing stations or street decals for social distancing at busy foot traffic areas in the corridor.
- Explore posting diverse signage in the corridor or at various shopping centers with diverse tenants regarding Covid-19 updates and safety measures.
- Explore canvas wrapping the electrical boxes throughout the corridor.
- Work to build a sense of community by distributing information about of our new Street Outreach Program Team to business owners and neighbors so anyone can call the team when they see a homeless/unhoused person looking for assistance to get the person help and transport up to services (if they agree to being helped).

Maintenance

Capital Improvements: With stakeholder approval via a formal vote, the BID can issue bonds to pay for capital improvements if the board chooses to do so. BID funds can be used to match and leverage other funds and other resources. **No bonding is planned at this time.**

There are several ways in which the BID and its operations and programs can be managed and staffed, including hiring staff, and/or contracting with a marketing and/or other professional(s) to carry out BID programs.

- **2021 plans are summarized above.** The Executive Director takes on the responsibilities and can hire a consultant or events laborers for special projects, as needed and up to $15,000.
- The BID board formed subcommittees to engage and support the ED with the events, marketing, and budgets.

V. BID BUDGET

This is the preliminary budget from 2020. 2021 AV assessments will not be received until after October 13, 2020 from Arapahoe County. Due to Covid-19 the State of Colorado allowed for an extension. The District typically receives the approximate values in early August to prepare this report. *Approximately $512,554 in 2020 to be raised through a 4.5 mill levy based upon the assessed value of real commercial property which includes the “current year’s net total taxable assessed valuation” from page 2, line 4 of the Certification of Valuation document from Arapahoe County dated November, 2019 ($97,663,337 x .0045) = $439,485 plus the URA property tax increment from page 2, line 3 of the Certification of Valuation document from Arapahoe County dated November 27, 2019 (“total TIF area increment” - URA Property Tax Increment $16,237,764 x .0045 = $73,069), as well as an estimated $37,000 in specific ownership tax. Please see the attached proposed 2021 budget on page 25.*

Bonds: Any bonding would require a vote of electors. The BID shall be authorized to issue bonds in the future at the discretion of, and in such amounts as may be determined by, the BID board of directors. Approval of a majority of BID electors who vote at an election called for the purpose of authorizing such bonds would be required. **No bonding is planned at this time.**

Fees, Charges and Other Revenues: Although the current budget and operating plan do not contemplate imposing rates and charges for services furnished or performed, the BID shall be authorized to impose and collect reasonable fees and charges for specific services as determined by the BID Board of Directors. There are no plans to impose any additional fees and charges beyond the annual BID assessment at this time. The BID will be authorized to collect and spend other revenues as well, such as grants, gifts, receipts from contracts and enterprises, specific ownership taxes, and interest earnings.

Assessment Methodology: Under Colorado statutes, business improvement districts can generate revenues through several methods, including charges for services rendered by The District, fees, taxes, special assessments, or a combination of any of these. In order to allocate the costs of the services to be furnished by the BID in a way that most closely reflects the benefits conferred upon the businesses and commercial properties in the BID, the BID shall be authorized to determine, impose and collect a mil levy based upon the assessed value of commercial property located in The District.
The mil levy method of assessment is intended to equitably address the intended benefits to the Havana corridor by improving the overall value of commercial property in The District through enhanced identity and image, economic development initiatives and advocacy for positive change along the corridor.

VI. BID GOVERNANCE AND PROGRAM MANAGEMENT

The Havana BID will be managed by a Board of Directors consisting of a minimum of seven (7) electors, all of whom shall be voting members. At least two-thirds of the board seats shall consist of owners of real property or their representatives within The District. At least one board member shall be an elector located in the following geographic segments of The District:

- North of Alameda Avenue
- South of Alameda Avenue and North of Mississippi Avenue
- South of Mississippi Avenue and North of Parker Road
- South of Parker Road

The board will also consist of both large and small property owners and will represent a diverse mix of property use types. The BID board will have the following responsibilities:

- Prepare and file the annual BID budget in accordance with state legal requirements and ensure compliance with other state laws.
- Provide direction and coordination in carrying out BID funded improvements and services.

The Havana BID Board of Directors includes:

- Garrett Walls, BID President, VP of Operations, Western Centers/Havana Exchange, 10555 E Dartmouth, #360, Aurora CO 80014
- Yulissa Williams, BID Vice President, Vice President & Branch Manager, Bank of the West, 1389 S Havana St, Aurora, CO 80012
- Matt Rauzi, Owner, Colorado’s Pro Gym, 1961 S Havana St., Aurora CO 80014
- Donovan Welsh, General Manager, Havana Auto Parts, 901 S Havana St., Aurora CO 80012
- Gary Sliger, Owner of Gary’s Full-Service Auto Repair, 30 S Havana St., 304-R, Aurora CO 80012
- Sean Choi, Senior Vice President, First Bank, 2300 S Havana St., Aurora CO 80014
- Patrick Armatas, Owner, Sam’s No 3, 2580 S Havana St, Aurora, CO 80014
- Brenda Soper, Property Manager of the Gardens on Havana, AmCap, 44 Cook St, #710, Denver CO 80206 (retiring Dec. 31, 2020)
- Devon Horan, Property Manager, Havana Tower, 1450 S Havana St., Aurora CO 80012 (resigning 11 2020)

VII. CITY SERVICES

BID services will be in addition to any City services currently provided along Havana.

VIII. TERM

The Havana BID is recommended to be a perpetual BID with a mandatory review period every 5 years. The review will allow for appropriate adjustments to the BID boundary, assessment methodology and/or programming. The review will allow business and property owners to address and respond to changes as they occur along the corridor.
## 2021 Preliminary General Fund of the Havana Business Improvement District

### 2021 Budget

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Est. Beginning Fund Balance</strong></td>
<td>$203,354</td>
<td>$214,360</td>
<td>$232,778</td>
<td>$258,673</td>
<td>$347,159</td>
<td>$258,673</td>
<td>$258,673</td>
<td>$258,673</td>
<td>$453,426</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>URA Property Tax Increment: 2020 Av's</strong></td>
<td>$69,259</td>
<td>$80,897</td>
<td>$69,258</td>
<td>$82,757</td>
<td>$73,069</td>
<td>$84,877</td>
<td>$84,877</td>
<td>$73,069</td>
<td>$37,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Specific Ownership Taxes</strong></td>
<td>$28,000</td>
<td>$34,442</td>
<td>$28,000</td>
<td>$33,137</td>
<td>$37,000</td>
<td>$33,432</td>
<td>$23,832</td>
<td>$26,840</td>
<td>$30,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Interest</strong></td>
<td>$50</td>
<td>$51</td>
<td>$50</td>
<td>$277</td>
<td>$60</td>
<td>$215</td>
<td>$143</td>
<td>$186</td>
<td>$60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sponsorships and other revenues</strong></td>
<td>$8,000</td>
<td>$7,594</td>
<td>$8,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$509,750</td>
<td>$518,595</td>
<td>$507,509</td>
<td>$601,187</td>
<td>$559,614</td>
<td>$558,009</td>
<td>$541,333</td>
<td>$545,470</td>
<td>$549,614</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue and Fund Balance</strong></td>
<td>$713,104</td>
<td>$732,955</td>
<td>$740,287</td>
<td>$859,860</td>
<td>$906,773</td>
<td>$816,682</td>
<td>$800,066</td>
<td>$804,143</td>
<td>$1,003,040</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marketing (inc tool incentive workforce prog. $19,000 + HMM $105,000)</strong></td>
<td>$152,000</td>
<td>$146,920</td>
<td>$157,000</td>
<td>$156,800</td>
<td>$180,000</td>
<td>$130,000</td>
<td>$66,337</td>
<td>$98,266</td>
<td>$124,000</td>
</tr>
<tr>
<td><strong>Special Events (inc print ads/marketing for $36,000 + $25,000 virtual event budget)</strong></td>
<td>$94,000</td>
<td>$82,490</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$115,000</td>
<td>$44,000</td>
<td>$41,341</td>
<td>$41,799</td>
<td>$61,000</td>
</tr>
<tr>
<td><strong>Program Management (inc $10,000 snow)</strong></td>
<td>$20,000</td>
<td>$13,188</td>
<td>$20,000</td>
<td>$10,760</td>
<td>$15,000</td>
<td>$6,000</td>
<td>$4,393</td>
<td>$4,494</td>
<td>$15,000</td>
</tr>
<tr>
<td><strong>District Identity - $55K for district markers &amp; $15K Art2C program</strong></td>
<td>$75,000</td>
<td>$55,352</td>
<td>$66,000</td>
<td>$27,509</td>
<td>$70,000</td>
<td>$44,000</td>
<td>$20,554</td>
<td>$38,154</td>
<td>$70,000</td>
</tr>
<tr>
<td><strong>Audit &amp; Accounting</strong></td>
<td>$9,000</td>
<td>$8,915</td>
<td>$9,000</td>
<td>$8,585</td>
<td>$12,000</td>
<td>$8,722</td>
<td>$7,732</td>
<td>$8,062</td>
<td>$14,000</td>
</tr>
<tr>
<td><strong>Website/Branding + Social Media 65080</strong></td>
<td>$20,000</td>
<td>$19,330</td>
<td>$30,000</td>
<td>$29,554</td>
<td>$30,000</td>
<td>$27,000</td>
<td>$17,971</td>
<td>$20,225</td>
<td>$30,000</td>
</tr>
<tr>
<td><strong>Special District Insurance</strong></td>
<td>$5,500</td>
<td>$5,940</td>
<td>$10,000</td>
<td>$5,700</td>
<td>$10,000</td>
<td>$4,200</td>
<td>$0</td>
<td>$0</td>
<td>$7,500</td>
</tr>
<tr>
<td><strong>Legal</strong></td>
<td>$3,500</td>
<td>$4,502</td>
<td>$5,000</td>
<td>$2,200</td>
<td>$5,000</td>
<td>$3,200</td>
<td>$1,734</td>
<td>$1,784</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Payroll Taxes</strong></td>
<td>$11,200</td>
<td>$12,170</td>
<td>$12,000</td>
<td>$9,941</td>
<td>$5,500</td>
<td>$6,036</td>
<td>$2,814</td>
<td>$3,284</td>
<td>$6,000</td>
</tr>
<tr>
<td><strong>ED Salary</strong></td>
<td>$133,912</td>
<td>$117,235</td>
<td>$108,287</td>
<td>$108,287</td>
<td>$93,350</td>
<td>$74,936</td>
<td>$50,168</td>
<td>$56,280</td>
<td>$70,000</td>
</tr>
<tr>
<td><strong>Labor/1099/Consultant</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>3% retirement savings match</strong></td>
<td>$4,017</td>
<td>$1,302</td>
<td>$1,950</td>
<td>$2,047</td>
<td>$2,201</td>
<td>$2,200</td>
<td>$1,548</td>
<td>$1,732</td>
<td>$2,200</td>
</tr>
<tr>
<td><strong>Worker's Comp .003% of Employees Salary</strong></td>
<td>$0</td>
<td>$195</td>
<td>$400</td>
<td>$409</td>
<td>$280</td>
<td>$450</td>
<td>$409</td>
<td>$409</td>
<td>$450</td>
</tr>
<tr>
<td><strong>ICHRA/ medical insurance</strong></td>
<td>$8,000</td>
<td>$3,139</td>
<td>$8,000</td>
<td>$4,877</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>ADP Payroll Fee</strong></td>
<td>$1,002</td>
<td>$1,200</td>
<td>$1,623</td>
<td>$1,700</td>
<td>$1,670</td>
<td>$1,178</td>
<td>$1,276</td>
<td>$1,700</td>
<td></td>
</tr>
<tr>
<td><strong>Stk Rlns</strong></td>
<td>$0</td>
<td>$0</td>
<td>$1,000</td>
<td>$550</td>
<td>$1,000</td>
<td>$500</td>
<td>$398</td>
<td>$457</td>
<td>$1,000</td>
</tr>
<tr>
<td><strong>Staff Prof Develop/Training</strong></td>
<td>$0</td>
<td>$40</td>
<td>$500</td>
<td>$500</td>
<td>$1,500</td>
<td>$100</td>
<td>$38</td>
<td>$38</td>
<td>$1,500</td>
</tr>
<tr>
<td><strong>Board Dev/Strat Planning</strong></td>
<td>$0</td>
<td>$0</td>
<td>$3,000</td>
<td>$2,870</td>
<td>$3,000</td>
<td>$650</td>
<td>$149</td>
<td>$302</td>
<td>$3,000</td>
</tr>
<tr>
<td><strong>Mileage</strong></td>
<td>$6,400</td>
<td>$4,132</td>
<td>$6,400</td>
<td>$7,100</td>
<td>$6,400</td>
<td>$3,000</td>
<td>$1,597</td>
<td>$1,597</td>
<td>$6,400</td>
</tr>
<tr>
<td><strong>Other - Tax Revenue - Treasurer's Fee (1.5% ON $512,555)</strong></td>
<td>$7,142</td>
<td>$5,934</td>
<td>$7,072</td>
<td>$7,072</td>
<td>$7,688</td>
<td>$6,592</td>
<td>$6,489</td>
<td>$6,506</td>
<td>$7,688</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$549,671</td>
<td>$480,627</td>
<td>$546,809</td>
<td>$486,384</td>
<td>$559,619</td>
<td>$363,256</td>
<td>$224,850</td>
<td>$284,665</td>
<td>$499,688</td>
</tr>
<tr>
<td><strong>Board Reserves</strong></td>
<td>$149,149</td>
<td>$1,295</td>
<td>$155,687</td>
<td>$218,634</td>
<td>$192,612</td>
<td>$192,612</td>
<td>$559,779</td>
<td>$504,101</td>
<td>$537,975</td>
</tr>
<tr>
<td><strong>Reserves (3% Tabor on $512,555)</strong></td>
<td>$14,284</td>
<td>$14,284</td>
<td>$14,144</td>
<td>$14,144</td>
<td>$15,377</td>
<td>$15,377</td>
<td>$15,377</td>
<td>$15,377</td>
<td>$15,377</td>
</tr>
<tr>
<td><strong>Total Expenditures w/ Tabor &amp; Board Reserves</strong></td>
<td>$713,104</td>
<td>$496,206</td>
<td>$716,640</td>
<td>$719,162</td>
<td>$767,514</td>
<td>$571,245</td>
<td>$800,006</td>
<td>$804,143</td>
<td>$1,003,040</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>$0</td>
<td>$216,898</td>
<td>$23,647</td>
<td>$114,803</td>
<td>$114,803</td>
<td>$245,437</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
2021 OPERATING PLAN AND BUDGET

TOWER BUSINESS IMPROVEMENT DISTRICT

City of Aurora, Adams 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 ..................................................................................................... 1  
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS ....................... 2  
   A. Organization ............................................................................................................................ 2  
   B. Governance .............................................................................................................................. 2  
   C. Current Board .......................................................................................................................... 2  
   D. Term Limits .............................................................................................................................. 2  
   E. Advisory Board ......................................................................................................................... 2  
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS ................................................................. 2  
4. PUBLIC IMPROVEMENTS ......................................................................................................... 2  
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE ............................. 5  
6. FINANCIAL PLAN AND BUDGET ............................................................................................. 5  
   A. 2021 Budget ............................................................................................................................ 5  
   B. Authorized Indebtedness ......................................................................................................... 5  
   C. Property Tax and Mill Levy Caps ............................................................................................ 5  
   D. District Revenues ..................................................................................................................... 3  
   E. Existing Debt Obligations ........................................................................................................ 3  
   F. Future Debt Obligations .......................................................................................................... 5  
   G. Other Financial Obligations ................................................................................................. 5  
   H. Non-Default Provisions ........................................................................................................ 5  
   I. Privately Placed Debt .............................................................................................................. 5  
   J. No City Obligations ............................................................................................................... 5  
7. 2021 ACTIVITIES, PROJECTS AND CHANGES .................................................................... 6  
   A. Activities ............................................................................................................................... 6  
   B. Projects and Public Improvements ....................................................................................... 6  
8. DISSOLUTION ............................................................................................................................. 6  
9. CONCLUSION .............................................................................................................................. 6  

## EXHIBITS

EXHIBIT A – Director Contact Information  
EXHIBIT B – BID Budget 2021  
EXHIBIT C – District Boundary Legal Description  
EXHIBIT D – District Boundary Map
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 Tower 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 (“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 the 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 prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2021 include principally the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of sources of power that will serve the development within the District, including without limitation natural gas, electricity and solar installations, but the District shall also be empowered to provide the services and public improvements allowed under Colorado law for business improvement districts. The provision of these services will be coordinated with the Tower Metropolitan District (“Tower”) which the boundaries of the District overlap in part. The District’s activities will neither interfere with nor duplicate those undertaken by Tower.

D. Ownership of Property or Major Assets. The District will own public improvements, easements and land as required if they are not otherwise dedicated to the City or other public entities or public utilities for operation and maintenance.

E. Contracts and Agreements. It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is not currently a party to any significant active contracts or agreements. The District may enter into agreements with the City and the Tower Metropolitan District to accommodate the provision of improvements and services.
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The Tower Business Improvement District was organized by the City of Aurora pursuant to Ordinance No. 2019-71 on October 21, 2019.

B. Governance. Pursuant to Section 31-25-1209(1)(b), C.R.S., the City of Aurora appointed the board of directors for the District, which shall have up to five members. Each member shall be an elector of the District.

C. Current Board. The District is managed by a Board of Directors consisting of five electors all of whom shall be voting members. The current Board members are:

1. Randall C. Hertel
2. Timothy J. D’Angelo
3. Michael M. Wafer
5. Michael V. Kapoor

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

D. Term Limits. The District’s election on November 5, 2019 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.

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District includes approximately 539 acres within its boundaries as described in EXHIBIT C and depicted in EXHIBIT D. In 2021 and subsequent years, the District also anticipates inclusion requests for additional property as boundaries are established and additional property owners participate in the District.

4. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

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, subject to the limitations set forth herein. 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 and as limited by this Operating Plan. The District will only provide improvements and services within the boundaries of the District and directly adjacent property to the extent required to facilitate the construction and operation of the District improvements. The District will not provide improvements or services that duplicate any improvements or services provided by Tower though the two entities will have the authority to cooperate in the extension of facilities and improvements beneficial to both, or where efficiencies in the development process may be gained.

Subject to the foregoing limitation concerning cooperation with Tower, 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, lawfully be paid for by the District, including, without limitation safety protection devices, 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 (the “Public Improvements”).

A. Operations and Maintenance Limitation. Included within the District’s boundaries is 538 acres owned by MCCII that is also included within Tower’s boundaries. The proposed development will contain significant industrial and warehouse and distribution facilities. Associated with all of the new development is the need for the financing of power sources and facilities that will serve the development, including without limitation natural gas, electricity and solar installations.

Tower does not have the statutory authority to pay for such improvements. The District does, and its creation is intended to fund those improvements in addition to the services and public improvements allowed under Colorado law for business improvement districts, generally. The provision of these improvements and services will be coordinated with Tower which the boundaries of the District overlap in part. The District’s activities will neither interfere with nor duplicate those undertaken by Tower though the two entities will have the authority to cooperate in the extension of facilities and improvements beneficial to both, or where efficiencies in the development process may be gained.

The appropriate limitations contained in the City’s metro district model service plan have been incorporated in the proposed Operating Plan that operates in many of the same ways to guide the District’s activities. However the fifty million cap included in this Operating Plan is inclusive of operations and administration costs in addition to debt service. The initial maximum debt authorization is $10,000,000.

B. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain
the City’s approval of civil engineering plans and will obtain applicable permits for construction and installation of public improvements prior to performing such work.

C. Privately Placed Debt Limitation. 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 substantially as follows:

We are [I am] an external financial advisor. [I] certify that (1) the net effective interest rate (calculated as defined in Section 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.

D. Fee Limitation. The District may impose and collect fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from taxable property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any taxable property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any fee imposed upon or collected from taxable property for the purpose of funding operation and maintenance costs of the District. For purposes of this section, “End User” shall mean any owner, or tenant of any owner, of any taxable improvement within the District who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy (as defined below).

E. Bankruptcy Limitation. All of the limitations contained in this Operating Plan have been established under the authority of the City to approve an Operating Plan with conditions pursuant to Section 31-25-1211, C.R.S. 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.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any debt, issued with a pledge or which results in a pledge, shall not be an authorized issuance of debt unless the City has approved the operating plan and budget for the District.
5. ADMINISTRATION, OPERATIONS, SERVICES 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. 2021 Budget. The proposed 2021 Budget for the District is attached as EXHIBIT B.

B. Authorized Indebtedness. The District held an election on November 5, 2019 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 Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be $10,000,000.00.

C. Property Tax and Mill Levy Caps. The District’s taxing ability shall be constrained to mill levy limitations of up to 50 mills for debt service, general operations and administrative expenses due to the on-going operations and maintenance to be undertaken by the District within its boundaries.

D. District Revenues. The District anticipates developer funding for initial revenue sources and thereafter revenues derived from property taxes. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee and any other lawful revenue source.

E. Existing Debt Obligations. The District does not have any existing debt obligations.

F. Future Debt Obligations. The District does not anticipate issuing debt in 2021.

G. 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.

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

I. No City Obligations. The debt of the District will not constitute a debt or obligation of the City of Aurora in any manner. The faith and credit of the City of Aurora will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectuses, or disclosure statements associated with any securities issued by the District.
7. **2021 ACTIVITIES, PROJECTS AND CHANGES**

The District will be undertaking projects or public improvements as development needs require.

8. **DISSOLUTION**

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate perpetual existence. However, the District may be dissolved under the conditions of Section 31-25-1225, C.R.S.

9. **CONCLUSION**

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

BOARD OF DIRECTORS:

Randall C. Hertel
Timothy J. D'Angelo
Michael M. Wafer
Jack "Skip" Bailey, Jr.
Michael V. Kapoor

LEGAL COUNSEL:

Matt Dalton
Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
303-839-3800
mdalton@spencerfane.com
### GENERAL FUND

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Specific Ownership</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Improvement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer Advance</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Investment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>District Management</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dues and Membership</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>70,000</td>
<td>70,000</td>
<td>70,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ENDING FUND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BALANCE</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Reserve</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Reserve</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## CAPITAL PROJECTS FUND

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Public Improvement Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Developer Advance</td>
<td>$2,400,000</td>
<td>$3,204,000</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Investment Income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Intergovernmental Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bond Issuance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$2,400,000</td>
<td>$3,204,000</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric Utility Extensions (East 38th Ave)</td>
<td>-</td>
<td>$576,000</td>
<td>0.00</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Gas Utility Extensions (East 38th Ave)</td>
<td>-</td>
<td>$864,000</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Electric Utility Extensions (Picadilly Rd)</td>
<td>-</td>
<td>$1,364,000</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$2,000,000</td>
<td>$2,804,000</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>$400,000</td>
<td>$400,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
## DEBT SERVICE FUND

<table>
<thead>
<tr>
<th></th>
<th>Proposed 2020</th>
<th>Actual 2020</th>
<th>Proposed 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond Issue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Public Improvement Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Developer Advance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Investment Income</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Intergovernmental Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of Issuance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capitalized Interest Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Debt Service Reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
EXHIBIT C
The Property Legal Description

A PARCEL OF LAND IN SECTION 25, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 25 AND CONSIDERING THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 25 TO BEAR NORTH 89°33'37" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 89°33'37" EAST ALONG SAID NORTH LINE A DISTANCE OF 30 FEET TO THE EAST RIGHT-OF-WAY LINE OF PICADILLY ROAD AND THE POINT OF BEGINNING.

THENCE NORTH 89°33'37" EAST CONTINUING ALONG SAID NORTH LINE A DISTANCE OF 2611.78 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 25;

THENCE NORTH 89°32'32" EAST ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 25 A DISTANCE OF 1321.75 FEET;

THENCE SOUTH 00°13'08" EAST A DISTANCE OF 1324.11 FEET;

THENCE NORTH 89°32'39" EAST A DISTANCE OF 931.29 FEET TO THE WESTERLY RIGHT-OF-WAY OF HIGHWAY E-470 AS DESCRIBED IN BOOK 5414 AT PAGE 645 OF THE RECORDS OF THE ADAMS COUNTY CLERK AND RECORDER;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY THE FOLLOWING FOUR (4) COURSES:

1) SOUTH 03°48'50" EAST A DISTANCE OF 427.14 FEET;
2) SOUTH 00°00'02" WEST A DISTANCE OF 3372.10 FEET;
3) SOUTH 83°34'42" WEST A DISTANCE OF 1006.75 FEET;
4) SOUTH 00°29'32" EAST A DISTANCE OF 40.00 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF EAST 26TH AVENUE;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1) SOUTH 89°30'28" WEST A DISTANCE OF 1267.94 FEET;
2) SOUTH 89°31'54" WEST A DISTANCE OF 745.69 FEET;

THENCE NORTH 00°10'59" WEST A DISTANCE OF 361.50 FEET;

THENCE SOUTH 89°31'54" WEST A DISTANCE OF 1867.71 FEET TO SAID EAST RIGHT-OF-WAY LINE;

THENCE NORTH 00°11'05" WEST ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 2258.23 FEET TO THE SOUTH LINE OF SAID NORTHWEST QUARTER OF SECTION 15;

THENCE NORTH 00°10'52" WEST CONTINUING ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 462.51 FEET;

THENCE NORTH 89°34'28" EAST A DISTANCE OF 300.36 FEET;

THENCE NORTH 00°11'05" WEST A DISTANCE OF 862.50 FEET;

THENCE SOUTH 89°32'44" WEST A DISTANCE OF 300.31 FEET TO SAID EAST RIGHT-OF-WAY LINE;
THENCE NORTH 00°10'52" WEST ALONG EAST RIGHT-OF-WAY LINE A DISTANCE OF 1324.68 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 23,453.361 SQUARE FEET, OR 538.415 ACRES, MORE OR LESS.
EXHIBIT D
The Property Map
ANNEXATION MAP

A portion of Section 2, Township 3 South, Range 66 West of the Sixth

LEGAL DESCRIPTION

Principal Meridian, County of Adams, State of Colorado

Basis of Bearing

CITY OF AURORA ADOPTIONS

CONTRIBUTORY TABLE

RECORDERS CERTIFICATE

GENERAL NOTES
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-35 organizing the Citadel on Colfax Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Citadel on Colfax Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this ______ day of _____________________, 2020.

_________________________________,
MIKE COFFMAN, Mayor
ATTEST:

__________________________

SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM:

HANOSKY HERNANDEZ,
Assistant City Attorney
RESOLUTION NO. R2020-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE FITZSIMONS BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2011-31 organizing the Fitzsimons Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Fitzsimons Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this ______ day of _____________________, 2020.

________________________
MIKE COFFMAN, Mayor
ATTEST:

____________________
SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM:

____________________
HANOSKY HERNANDEZ,
Assistant City Attorney
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE HAVANA BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2007-36 organizing the Havana Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Havana Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this _______ day of ____________________, 2020.

________________________
MIKE COFFMAN, Mayor
ATTEST:

_________________________
SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM:


HANOSKY HERNANDEZ,
Assistant City Attorney
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER ONE

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-37 organizing the Painted Prairie Business Improvement District Number One (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Painted Prairie Business Improvement District Number One are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this _______ day of ____________________, 2020.

________________________
MIKE COFFMAN, Mayor
ATTEST:

__________________________
SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM:

__________________________
HANOSKY HERNANDEZ,
Assistant City Attorney
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER TWO

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-37 organizing the Painted Prairie Business Improvement District Number Two (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Painted Prairie Business Improvement District Number Two are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this ______ day of _____________________, 2020.

____________________________________
MIKE COFFMAN, Mayor
ATTEST:

_________________________
SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM:

HANOSKY HERNANDEZ,
Assistant City Attorney
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE PARKSIDE AT CITY CENTRE BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-38 organizing the Parkside at City Centre Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Parkside at City Centre Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this ______ day of _____________________, 2020.

___________________________________________
MIKE COFFMAN, Mayor
ATTEST:

________________________________________
SUSAN BARKMAN,
Interim City Clerk

APPROVED AS TO FORM:

________________________________________
HANOSKY HERNANDEZ,
Assistant City Attorney
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE PORTEOS BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2016-43 organizing the Porteos Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Porteos Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this ______ day of _____________________, 2020.

___________________________________
MIKE COFFMAN, Mayor
ATTEST:

_______________________
SUSAN BARKMAN, 
Interim City Clerk

APPROVED AS TO FORM:

___________________
HANOSKÝ HERNANDEZ, 
Assistant City Attorney
RESOLUTION NO. R2020-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE TOWER BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2019-71 organizing the Tower Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2021 District operating plan and budget (the “2021 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2021 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

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

Section 1. The 2021 Operating Plan and Budget for the Tower Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

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

RESOLVED AND PASSED this _______ day of _____________________, 2020.

___________________________________________
MIKE COFFMAN, Mayor
ATTEST:

__________________________
SUSAN BARKMAN,  
Interim City Clerk

APPROVED AS TO FORM:

__________________________
HANOSKY HERNANDEZ,  
Assistant City Attorney
THIS PAGE

INTENTIONALLY

LEFT BLANK
Management and Finance Policy Committee
Agenda Item Commentary

<table>
<thead>
<tr>
<th>Item Title:</th>
<th>2020 BKD Audit Engagement Letter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item Initiator:</td>
<td>Nancy Wishmeyer</td>
</tr>
<tr>
<td>Staff Source:</td>
<td>Nancy Wishmeyer, Controller</td>
</tr>
<tr>
<td>Deputy City Manager Signature:</td>
<td>Roberto Venegas</td>
</tr>
<tr>
<td>Outside Speaker:</td>
<td></td>
</tr>
<tr>
<td>Council Goal:</td>
<td>2012: 6.0--Provide a well-managed and financially strong City</td>
</tr>
</tbody>
</table>

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

- [ ] Approve Item and Move Forward to Study Session
- [ ] Approve Item and Move Forward to Regular Meeting
- [x] Information Only

**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's external auditors, BKD, LLP, provide the city with an engagement letter prior to the performance of the annual audit. The engagement letter outlines the various audits and other procedures that will be performed in the coming year and the fees associated with each. The engagement letter also outlines the responsibilities of city management and those of the BKD auditors.

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

The 2020 audit engagement letter with the fees and responsibilities outlined is provided for your review. As was the case in prior years, this year the BKD auditors will be performing audits of the city's 2020 financial statements, the Single Audit of federal grants, and the Scientific and Cultural Facilities District (SCFD) audit. Additionally, the auditors will perform agreed upon procedures for the 720 Memorial Foundation, the city's various Post Employment Health Plans (PEHPs), and the city's 457 Deferred Compensation Plan.

**QUESTIONS FOR Committee**

Information only

**EXHIBITS ATTACHED:**

City of Aurora - Contract ATT 123120 (0006242) - Twombly signed.pdf
September 21, 2020

Management and Finance Committee
Mayor and City Council Members
Jim Twombly, City Manager
Terri Velasquez, Finance Director
Nancy Wishmeyer, Controller
City of Aurora, Colorado
15151 East Alameda Parkway
Aurora, Colorado 80012

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide to the City of Aurora, Colorado (the City).

**ENGAGEMENT OBJECTIVES AND SCOPE**

We will audit the basic financial statements of the City as of and for the year ended December 31, 2020, and the related notes to the financial statements.

Our audit will be conducted with the objectives of:

- Expressing an opinion on the financial statements
- Issuing a report on your compliance based on the audit of your financial statements.
- Issuing a report on your internal control over financial reporting based on the audit of your financial statements.
- Expressing an opinion on your compliance, in all material respects, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that are applicable to each of your major federal award programs.
- Issuing a report on your internal control over compliance based on the audit of your compliance with the types of compliance requirements that are applicable to each of your major federal award programs.
- Issuing a report on your schedule of expenditures of federal awards.
Additionally, with respect to the Scientific and Cultural Facilities District (SCFD) we will:

- Audit the financial statements of the City of Aurora, Colorado’s Cultural Service Division including the Schedule of the Annual Operating Income for the year ending December 31, 2020, as applicable.

- Perform certain agreed-upon procedures, as described in the SCFD Tier II Qualification Application, to schedules required to be submitted in connection with the SCFD audit report package. The specified users of this report will be the City of Aurora and the Scientific and Cultural Facilities District.

With respect to the 7/20 Memorial Foundation, Inc. (the Foundation) for whom the City is fiscal agent, we will:

- Perform the following agreed-upon procedures for the year ending December 31, 2020:
  
  - Obtain documentation of internal controls surrounding the cash inflows and outflows of the Foundation. We will identify key controls and test the key controls for design effectiveness.
  
  - Select a sample of cash receipts and cash disbursements and agree to supporting documentation. Also, review cash receipts to ensure they are being tracked according to purpose.

The specified users of the 7/20 Memorial Foundation agreed-upon procedures report will be the City of Aurora, Colorado.

With respect to the City of Aurora Post Employment Health Plans (PEHP Plans) which include the Fire Chief Officers PEHP, Police-Command PEHP, Aurora Firefighters PEHP, the Aurora Police Association PEHP plans, the Executive Staff, and the Managers, we will:

- Perform the following agreed-upon procedures:
  
  - Obtain documentation of internal controls surrounding the PEHP Plans. We will identify key controls and test the key controls for design effectiveness.
  
  - For each PEHP plan, we will obtain the participant election of the contribution percentage of the accumulated bank of sick leave for the year ending December 31, 2020. We will obtain a list of terminations during the year for each plan and select a sample of the lesser of 10% or 30 items to ensure that the correct portion of the accumulated bank was contributed to the PEHP plan by the City. We will also trace the transfer of funds to supporting documentation to ensure funds were transferred to the Trust.
The specified users of the PEHP agreed-upon procedures report will be the City of Aurora, Colorado.

With respect to the 457 Deferred Compensation Plan, we will apply the procedures enumerated in the attachment to this letter. The specified users of the 457 Deferred Compensation Plan agreed-upon procedures report will be the City of Aurora, Colorado.

The sufficiency of the requested agreed-upon procedures engagement listed above is solely the responsibility of the specified parties listed above. Consequently, we make no representation regarding the sufficiency of the procedures for the purpose for which the report has been requested or for any other purpose.

Because we have not been engaged to conduct an examination or review relating to the agreed upon procedures engagements, we will not express an opinion or conclusion, respectively, on the SCFD Tier II Qualification Application, 7/20 Memorial Fund, the City of Aurora Post Employment Health Plans or the 457 Deferred Compensation Plan. In addition, we have no obligation to perform any procedures beyond those listed above or attached to this letter.

**OUR RESPONSIBILITIES**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards require that we plan and perform:

- The audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error.
- The audit of compliance with the types of compliance requirements described in the *OMB Compliance Supplement* applicable to each major federal award program to obtain reasonable rather than absolute assurance about whether noncompliance having a direct and material effect on a major federal award program occurred.

We will conduct our audit of the financial statements of the City of Aurora, Colorado’s Cultural Service Division including the Schedule of the Annual Operating Income for the year ending December 31, 2020 in accordance with auditing standards generally accepted in the United States of America (GAAS).
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance having a direct and material effect may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

In making our risk assessments, we consider internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, in the future, procedures could become inadequate because of changes in conditions or deterioration in design or operation. Two or more people may also circumvent controls, or management may override the system.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a separate letter to be signed by you and BKD.

Christopher Telli, Partner, will oversee and coordinate the engagement. Marcella Ardan, Managing Director and Karmyn Jeffries, Senior Manager are responsible for supervising the engagements and authorizing the signing of the report or reports.

We will issue a written report upon completion of our audit of the City’s financial statements. Our report will be addressed to the Honorable Mayor and Members of the City Council of the City of Aurora, Colorado. You are responsible to distribute our reports to other officials who have legal oversight authority or those responsible for acting on audit findings and recommendations, and to others authorized to receive such reports. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph(s), or withdraw from the engagement. If we discover conditions that may prohibit us from issuing a standard report, we will notify you as well. In such circumstances, further arrangements may be necessary to continue our engagement.
City of Aurora, Colorado  
September 21, 2020  
Page 5

We will also express an opinion on whether your combining and individual fund statements and schedules (supplementary information) are fairly stated, in all material respects, in relation to the financial statements as a whole.

We will conduct our agreed-upon procedures engagements in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Our agreed-upon engagements will not include a detailed examination of all transactions and cannot be relied upon to disclose misstatements that might exist due to error, fraud and illegal acts. However, we will inform you of any such matters, if material, that come to our attention.

We will submit a report summarizing the procedures performed and the results of those procedures for each agreed-upon procedures engagement listed above and is not intended to be and should not be used by anyone other than the parties specified above.

If for any reason, we are unable to complete our procedures, we may decline to issue a report as a result of these agreed-upon engagements.

**YOUR RESPONSIBILITIES**

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;

2. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

3. For identifying and ensuring compliance with the laws, regulations, contracts and grants applicable to your activities including your federal award programs; and

4. To provide us with:
   a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
b. Additional information that we may request from management for the purpose of the audit; and

c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management written confirmation acknowledging certain responsibilities outlined in this engagement letter and confirming:

- The availability of this information
- Certain representations made during the audits for all periods presented
- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures or other engagements that satisfy relevant legal, regulatory or contractual requirements or fully meet other reasonable user needs.

With regard to supplementary information:

- Management is responsible for its preparation in accordance with applicable criteria
- Management will provide certain written representations regarding the supplementary information at the conclusion of our engagement
- Management will include our report on this supplementary information in any document that contains this supplementary information and indicates we have reported on the supplementary information
- Management will make the supplementary information readily available to intended users if it is not presented with the audited financial statements

With regard to the agreed-upon procedures engagements listed above, it should be understood that the management of City of Aurora is responsible for the proper recording of transactions and preparation of financial statements. Management of the City of Aurora is also responsible for establishing and maintaining effective internal control over financial reporting and setting the proper tone; creating and maintaining a culture of honesty and high ethical standards; and establishing appropriate controls to prevent, deter and detect fraud and illegal acts. Management of the City of Aurora is also responsible for identifying and ensuring compliance with laws and regulations applicable to its activities and for establishing and maintaining effective internal control over compliance. Management is responsible for implementing and monitoring controls.
To facilitate our agreed-upon procedure engagements, management is responsible for providing a written assertion about the measurement or evaluation of the subject matter against the criteria, supplying us with all necessary information and for allowing us access to personnel to assist in performing our services. It should be understood that management is responsible for the accuracy and completeness of these items, for the subject matter and the written assertion(s) referred to above and for selecting and determining the appropriateness of the criteria.

At the conclusion of our agreed-upon procedure engagements, management will provide to us a letter confirming the availability of this information, the written assertion(s), certain representations made during the engagement and acknowledging certain responsibilities outlined in this engagement letter.

**OTHER SERVICES**

**Electronic Submission**

We will also complete the auditee portion of the Form SF-SAC (Data Collection Form) through the Federal Audit Clearinghouse. We will not make the submission on your behalf. You will review a draft(s) of the submission prior to transmission and agree that you are solely responsible for approving the final draft for transmission as well as for the auditee submission and certification.

We will provide you with the following nonattest services:

- Assistance with formatting, printing and binding of the single audit reports and the SCFD reports

In addition, we may perform other services for you not covered by this engagement letter. The performance of these services shall be subject to the terms and conditions set forth in Section IE and 4A of the Professional Services Agreement dated November 30, 2006 by and between BKD, LLP and the City of Aurora, Colorado (the Agreement), as amended.

**ENGAGEMENT FEES**

Our fees for the financial statement audit, single audit and SCFD audit will be in accordance with Section 4 of the Agreement as amended, which for the year ending December 31, 2020, will be $188,065 (includes up to four major single audit programs). Any additional single audit program over the four listed above will be billed at $10,000 per program and any such increase will be subject to the terms of the Agreement, as amended.
In addition, our fees will be as follows for the agreed-upon procedures engagements:

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/20 Memorial Foundation Inc.</td>
<td>$585</td>
</tr>
<tr>
<td>PEHP Plans</td>
<td>$4,125</td>
</tr>
<tr>
<td>457 Deferred Compensation Plan – time expended capped at:</td>
<td>$10,750</td>
</tr>
</tbody>
</table>

Our estimate of time assures no substantial problems with obtaining the information we need to complete the above listed engagements.

Our fees do not consider additional efforts related to the SARS-CoV-2 virus and the incidence of COVID-19 environment and the impact of accounting and auditing issues such as going concern, other-than-temporary impairment of investments, collectability of receivables, inventory valuation, compliance with debt agreements, modification of lease terms, additional major programs subject to Single Audit, etc. Such amounts will be billed based on time expended.

Our pricing for this engagement and our fee structure are based upon the expectation that our invoices will be paid promptly. We will issue progress billings during the course of our engagement, and payment of our invoices is due upon receipt. Payment of progress billings shall be subject to the terms and conditions set forth in Section 4b of the Agreement. Interest will be charged on any unpaid balance after 30 days at the rate of 10% per annum, or as allowed by law at the earliest date thereafter, and highest applicable rate if less than 10%.

Our engagement fee does not include any time for post-engagement consultation with your personnel or third parties, consent letters and related procedures for the use of our reports in offering documents, inquiries from regulators or testimony or deposition regarding any subpoena. The performance of these additional services and fees to be charged therefore will be subject to the terms and conditions set forth in the Sections 1E and 4A of the Agreement. Charges for such services will be billed separately.

Our fees may also increase if our duties or responsibilities are increased by rulemaking of any regulatory body or any additional new accounting or auditing standards. We understand the approval of any fee increase will be subject to the terms and conditions set forth in Section 4A of the Agreement. We will consult with you in the event any other regulations or standards are issued that may impact our fees.

If our invoices for this or any other engagement you may have with BKD are not paid within 30 days, we may suspend or terminate our services for this or any other engagement. In the event our work is suspended or terminated as a result of nonpayment, you agree we will not be responsible for any consequences to you.
IMPLEMENTATION OF FIDUCIARY ACTIVITIES STANDARD

Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, is effective for fiscal year 2020, with retrospective application in the year the update is first applied. The Statement is expected to significantly change how entities evaluate and report fiduciary activities.

Assistance and additional time as a result of the adoption are not included within our standard engagement fees. Our fees as a result of the adoption of the Standard will be based on time expended and will vary based on the level of assistance and procedures required. We will need input and assistance from the accounting department throughout the process of implementation.

IMPLEMENTATION OF NEW LEASES STANDARD

Governmental Accounting Standards Board Statement No. 87, *Leases*, is effective for reporting periods beginning after June 15, 2021. Early application is encouraged.

Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Assistance and additional time as a result of the adoption of the Statement are not included within our standard engagement fees. Our fees as a result of the adoption of the Statement will be based on time expended and will vary based on the level of assistance and procedures required, which may include but are not limited to:

- Assisting the entity with the evaluation of its current controls and policies for leases and recommended enhancements needed to implement the Statement
- Evaluating and documenting new and revised controls and policies for leases under the Statement
- Assisting the entity with the information gathering necessary to implement the Statement
- Assisting the entity with the evaluation of its current method for calculating and recognizing lease payments
- Assisting the entity with documenting changes from the previous method needed to implement the Statement
- Assistance with drafting of the required disclosures

The time it will take to perform the above assistance and our additional audit procedures relating to the adoption of the Statement, and any time to assist you with the adoption, may be minimized to the extent your personnel will be available to provide timely and accurate documentation and information as requested by BKD.
OTHER ENGAGEMENT MATTERS AND LIMITATIONS

BKD is not acting as your municipal advisor under Section 15B of the Securities Exchange Act of 1934, as amended. As such, BKD is not recommending any action to you and does not owe you a fiduciary duty with respect to any information or communications regarding municipal financial products or the issuance of municipal securities. You should discuss such information or communications with any and all internal or external advisors and experts you deem appropriate before acting on any such information or material provided by BKD.

Our workpapers and documentation retained in any form of media for this engagement are the property of BKD. We can be compelled to provide information under legal process. In addition, we may be requested by regulatory or enforcement bodies to make certain workpapers available to them pursuant to authority granted by law or regulation. The provisions of workpapers and documentation to regulatory and enforcement bodies shall be subject to the terms and conditions set forth in Section 8E of the Agreement.

This engagement letter sets the terms of the 2020 audit engagements in accordance with the Agreement. In the event of a conflict between this letter of engagement and the Agreement, the language in the Agreement shall control.

We may from time to time utilize third-party service providers, e.g., domestic software processors or legal counsel, or disclose confidential information about you to third-party service providers in serving your account. We remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information. In the event we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

You agree to assume full responsibility for maintaining your original data and records and that BKD has no responsibility to maintain this information. You agree you will not rely on BKD to provide hosting, electronic security or backup services, e.g., business continuity or disaster recovery services, to you unless separately engaged to do so. You understand that your access to data, records and information from BKD’s servers, i.e., BKDconnect, can be terminated at any time and you will not rely on using this to host your data and records.

We will, at our discretion or upon your request, deliver financial or other confidential information to you electronically via email or other mechanism. You recognize and accept the risk involved, particularly in email delivery as the internet is not necessarily a secure medium of communication as messages can be intercepted and read by those determined to do so.
You agree you will not modify these documents for internal use or for distribution to third parties. You also understand that we may on occasion send you documents marked as draft and understand that those are for your review purpose only, should not be distributed in any way and should be destroyed as soon as possible.

The entity may wish to include our report on these financial statements in an exempt offering document. The entity agrees that the aforementioned auditor’s report, or reference to our firm, will not be included in any such offering document without notifying us. Any agreement to perform work in connection with an exempt offering document, including providing agreement for the use of the auditor’s report in the exempt offering document, will be a separate engagement.

Any exempt offering document issued by the entity with which we are not involved will clearly indicate that we are not involved by including a disclosure such as, “BKD, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. BKD, LLP, also has not performed any procedures relating to this offering document.”

You agree to notify us if you desire to place these financial statements or our report thereon along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that we have no responsibility as auditors to review information contained in electronic sites.

Any time you intend to reference our firm name in any manner in any published materials, including on an electronic site, you agree to provide us with draft materials for our review and approval before publishing or posting such information.

BKD is a registered limited liability partnership under Missouri law. Under applicable professional standards, partners of BKD, LLP have the same responsibilities as do partners in a general accounting and consulting partnership with respect to conformance by themselves and other professionals in BKD with their professional and ethical obligations. However, unlike the partners in a general partnership, the partners in a registered limited liability partnership do not have individual civil liability, directly or indirectly, including by way of indemnification, contribution, assessment or otherwise, for any debts, obligations or liabilities of or chargeable to the registered limited liability partnership or each other, whether arising in tort, contract or otherwise.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our most recent peer review report accompanies this letter.
City of Aurora, Colorado
September 21, 2020
Page 12

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities. If the signed copy you return to us is in electronic form, you agree that such copy shall be legally treated as a “duplicate original” of this agreement.

BKD, LLP

Acknowledged and agreed to on behalf of:

CITY OF AURORA, COLORADO

BY Jim Twombly, City Manager
DATE October 14, 2020

BY Terri Velasquez, Finance Director
DATE October 12, 2020

BY Nancy Wishmeyer, Controller
DATE October 12, 2020

cc: Chair, Management and Finance Committee
1. Internal controls
   a. Identify segregation of control issues by review of duties grids completed by the City for cash inflows, cash outflows and investing transaction cycles
   b. Perform walkthroughs of design effectiveness of the cash inflows, cash outflows and investing transaction cycles
   c. Obtain the Nationwide SOC report and review report

2. Plan documents
   a. Obtain and read any plan amendments

3. Eligibility requirements
   a. Pick 10 new employees and determine if participants were appropriately auto enrolled into the plan

4. Participant data testing – Sample 30 participants
   a. Send negative confirmations to participant to determine if the participant agrees with balances at year-end, contributions made during the year and investment allocations elections
   b. Analytical test each participant’s annual contributions by recalculating the annual contribution based on the participants contribution elections or default deferral rate, as applicable

5. Contribution testing
   a. Compare total employee contributions withheld from payroll to contributions received by the plan and also to W-3 detail as of year-end and identify any differences
   b. Test three payroll periods to determine if contributions were transmitted within two days of pay dates
   c. Select five participants over the age of 50 to determine if Nationwide provided information about catchup contributions to the participant, or determine whether information was provided to all personnel via email or during onboarding process
6. Distribution testing
   a. Sample three individual participant distributions to support and determine if they were paid timely. A period of 15 days or earlier from the time the request was sent will be used to determine timeliness.
   b. Sample three hardship distributions and determine if required support was obtained prior to the distribution
   c. Sample three terminations and determine if the termination date per plan agrees with the date per City information

7. Loans
   a. Select three new loans in current year for compliance with loan policy document

8. Investments
   a. Test fair value measurements by selecting five purchases and five sales from each quarterly statement and comparing those to the prices of the security on that day as published by a third party
   b. Review minutes to determine the Investment Policy Statement was reviewed and updated as necessary and applicable
   c. Perform analysis of fund utilizing FI360 report
Report on the Firm’s System of Quality Control

To the Partners of
BKD, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of BKD, LLP (the firm) applicable to engagements not subject to PCAOB inspection in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm’s Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer’s Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm’s compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, an audit of carrying broker-dealers, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BKD, LLP applicable to engagements not subject to PCAOB inspection in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. BKD, LLP has received a peer review rating of pass.

Baton Rouge, Louisiana
October 6, 2017
THIS PAGE

INTENTIONALLY

LEFT BLANK
### Management and Finance Policy Committee

#### Agenda Item Commentary

| Item Title: | Internal Audit Q3 Progress Report Against the Audit Plan |
| Item Initiator: | Wayne Sommer |
| Staff Source: | Wayne Sommer, Internal Audit Manager, x37075 |
| Deputy City Manager Signature: | Roberto Venegas |
| Outside Speaker: | |
| Council Goal: | 2012: 6.0--Provide a well-managed and financially strong City |

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

- [x] Approve Item and Move Forward to Study Session
- [ ] Approve Item and Move Forward to Regular Meeting
- [ ] Information Only

### 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 M&F Committee functions as the Audit Committee. Internal Audit provides a quarterly update to the Audit Committee of progress against our annual audit plan.

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

Internal Audit will provide an update on the annual audit plan with progress through the third quarter.

### QUESTIONS FOR Committee

### EXHIBITS ATTACHED:

- Executive Summary - Aurora Police Body-Worm Camera Compliance.pdf
- Executive Summary - PSC Culture Follow-Up.pdf
For the quarter ended September 30, 2020
2020 ENGAGEMENT PROGRESS SUMMARY

Through September 30, Internal Audit has completed 44% of scheduled engagements; 22% are currently active. In total, 66% of all our engagements are either active or were completed during the three quarters this year.

Our audit work has been impacted by the COVID-19 pandemic. In March 2020, the City Manager appointed the Internal Audit Manager to serve as the Recovery Manager under the City’s Disaster Recovery Plan. Internal Audit staff capably assumed responsibilities for daily operations and, although they have had to share both auditor and review duties, they have moved our audit program along. Recovery operations are winding down and we expect the Internal Audit Manager to return to audit responsibilities in Q4 and Q1 2021. We continue to adapt our approach and work on our engagements remotely. The Internal Audit Manager continues to review all audit reports before they are issued.

![2020 Outstanding Engagements Progress](image-url)

As of September 30, 2020
Agile Engagements

Internal Audit applies its own custom agile approach to our engagements. This approach brings valuable information to our clients more quickly than the traditional approach through a report provided at the end of each milestone.

This is an explanation of our Milestones:

- **Team Preparation**: Ensure that the engagement team can properly conduct the engagement.
- **Client Evaluation**: Gain a deeper understanding of the client's operating environment and client issues that may affect the engagement objectives and that may influence subsequent engagement procedures.
- **Process Controls and Efficiency**: Determine whether appropriate process controls exist and whether processes are efficient.
- **Risks**: Assess the impact of identified risks on the engagement objectives, scope, and on the objectives test work procedures.
- **Planning and Preparation Finalization**: Determine the final engagement objectives, scope, and objectives test work procedures.
- **Objectives Test Work**: Obtain sufficient evidence to afford a reasonable basis for conclusions on the engagement objectives.
- **Reporting**: Summarize the results of our engagement procedures and our related conclusions, findings, and recommendations in a clear and concise report that addresses all engagement objectives.
- **Wrap Up**: Complete all administrative tasks necessary for a complete and orderly closeout of the engagement.
In the table below, purple shading shows completed milestone work; hatched cells represent milestones in progress; and, orange shading represents future milestone work and the projected quarter. These projections may be impacted by work arrangements required to comply with the pandemic stay-at-home order. Engagement descriptions and objectives for active engagements follow the table below.

<table>
<thead>
<tr>
<th>Engagements</th>
<th>Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Team Preparation</td>
</tr>
<tr>
<td>Payroll Operations, Part 1</td>
<td>ON HOLD</td>
</tr>
<tr>
<td>Succession Planning Survey</td>
<td>ON HOLD</td>
</tr>
<tr>
<td>City Governance</td>
<td>ON HOLD</td>
</tr>
<tr>
<td>P-card Transactions</td>
<td>Q4</td>
</tr>
<tr>
<td>Marijuana Enforcement</td>
<td>ON HOLD</td>
</tr>
<tr>
<td>Secondary Employment Compliance</td>
<td>ON HOLD</td>
</tr>
<tr>
<td>Construction Project Review</td>
<td>ON HOLD</td>
</tr>
<tr>
<td>Court Case Management</td>
<td>Q4</td>
</tr>
<tr>
<td>Development Incentives Tracking</td>
<td>Q4</td>
</tr>
<tr>
<td>NEW APD Versadex Case Management Audit</td>
<td>Q4</td>
</tr>
<tr>
<td>Engagements</td>
<td>Comments</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Payroll Operations, Part 1</td>
<td>This engagement was originally assigned to the Internal Audit Manager. Progress was delayed due to competing priorities. This engagement will be reconsidered in 2021.</td>
</tr>
<tr>
<td>Succession Planning Survey</td>
<td>This engagement will be reconsidered during our 2021 audit planning.</td>
</tr>
<tr>
<td>City Governance</td>
<td>This engagement will be reconsidered during our 2022 audit planning.</td>
</tr>
<tr>
<td>P-card Transactions</td>
<td>This is an active engagement; test work is complete, and reporting is in process. We expect to complete this in Q4.</td>
</tr>
<tr>
<td>Marijuana Enforcement</td>
<td>Planning began for this engagement; however, we will reconsider this engagement during our 2021 audit planning.</td>
</tr>
<tr>
<td>Secondary Employment Compliance</td>
<td>This engagement will be reconsidered during our 2021 audit planning.</td>
</tr>
<tr>
<td>Construction Project Review</td>
<td>This engagement will be reconsidered during our 2021 audit planning.</td>
</tr>
<tr>
<td>Court Case Management</td>
<td>We will begin this engagement in Q4.</td>
</tr>
<tr>
<td>Development Incentives Tracking</td>
<td>This is an active engagement. We expect to complete this in Q4.</td>
</tr>
<tr>
<td>NEW APD Versadex Case Management Audit</td>
<td>This is an active engagement. We expect to complete this in Q4.</td>
</tr>
</tbody>
</table>
Other Matters

**Staff Professional Development**: All staff is on track to complete their annually required 40 hours (minimum) of continuing professional training for 2020. Sheree Van Buren is pursuing her Certified Fraud Examiner (CFE) designation.

**Police Auditor**: In its 2021 budget discussions, City Council approved the addition of an auditor designated to Aurora Police engagements. Efforts are underway to develop the job description. Recommendations for 2021 engagements will be included in the 2021 audit plan to be presented to the Audit Committee in November 2020.
RECOMMENDATIONS

We maintain and track the implementation status of our audit recommendations in our TeamMate audit software. The chart below displays the status of recommendations as of September 30, 2020. As of that date, 28% of all audit recommendations issued remained incomplete (Pending.) The table that follows outlines the status of audit recommendations by engagement. The table lists active audits with outstanding recommendations. Internal Audit regularly monitors the progress made on these recommendations.

![Recommendation Status as of September 30, 2020](chart)

<table>
<thead>
<tr>
<th>Status of Recommendations</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pending</td>
<td>27%</td>
<td>25%</td>
<td>28%</td>
</tr>
<tr>
<td>Completed</td>
<td>6%</td>
<td>7%</td>
<td>1%</td>
</tr>
<tr>
<td>Closed</td>
<td>67%</td>
<td>68%</td>
<td>71%</td>
</tr>
<tr>
<td>Total Recommendations</td>
<td>336</td>
<td>344</td>
<td>357</td>
</tr>
</tbody>
</table>

**Pending:** Implementation is not completed.

**Completed:** The client has implemented the recommendation and is waiting for client management’s final approval.

**Closed:** Client management has approved the implementation. No further action is necessary.
Implementation Notes

2015 Payroll and HR Audit

- Revised completion date is November 30, 2020.

2015 PROS Timesheet Audit

- Recommendation has been closed, a new timekeeping system is part of the new RFP for the ERP system.

2016 Citywide Physical Security Assessment

- Management charged a cross-departmental steering committee with overseeing the recommendation implementation process. This committee is progressing slowly but steadily and providing regular progress reports to the City Manager. Some items will be addressed through initiatives funded in the 2020 budget. Other items may be addressed in the recommended reopening plan for the Aurora Municipal Center under the Recovery Committee’s work.

2016 Core 4 Culture Impact Assessment

- Human Resources will be addressing the remaining recommendation with an implementation date of January 2021.
2016 Fire Department Overtime

- The remaining recommendation will be addressed through the strategic planning discussions.

2016 Overall Disaster Preparedness Assessment

- Revised completion dates are for Q1 2021 (Internal Audit completed a follow-up engagement on the recommendations from this original engagement: see 2018 Overall Disaster Preparedness: Recommendations Follow Up below.)

2017 Lethal and Less Lethal Weapons Inventory and Control Review

- The implementation effort is dependent on the new inventory system. New inventory system should be fully implemented soon. We continue to track progress with IT and APD.

2018 Fleet Management Operational Review

- Fleet is making consistent progress addressing their recommendations.

2018 Overall Disaster Preparedness: Recommendations Follow Up

- Implementation is in progress; revised dates are in Q1 2021. Business priorities for the Office of Emergency Management were significantly impacted by COVID-19. The new implementation date provides them time to fully address the recommendations.

2018 Purchasing, Part 1

- Implementation is in progress.

2019 APD Program Expenses

- Final recommendation outstanding is pending approval of a new Directive expected before year-end.

2019 CALEA Property and Evidence Audit

- Implementation is in progress.

2019 Grant Administration Processes

- Implementation in progress.

2019 House Aurora Partnerships

- Management identified some recommendations were not fully implemented and they were sent back to the process owner. Ownership for recommendations was moved to Community Development and dates have been revised. Community Development is planning a review of the entire program. We will work with them as they review the program and continue to monitor progress.

2019 Planning Culture Survey

- Implementation is in progress.

2020 CALEA Property and Evidence Audit

- Implementation is in progress.
2020 Body-Worn Camera Compliance Audit

- Implementation is in progress.
Wayne Sommer | Internal Audit Manager

Wayne is a Certified Public Accountant (CPA) and a Chartered Global Management Accountant (CGMA) with 40 years of diverse work experience. He began his career as an auditor for KPMG in Washington, DC (then known as Peat Marwick Mitchell and Co), advancing to the Audit Senior level with specialization in not-for-profit entities and financial institutions. He spent the next seven years in various financial and management capacities at Trustbank Savings, FSB in Virginia (also known as Dominion Federal Savings and Loan.) Prior to coming to the City of Aurora, Wayne spent 23 years at the International City/County Management Association (ICMA) in Washington, DC with 14 of those as Director, Administration and Finance, and the last nine working in executive management roles performing strategic planning, business development, and organizational change and development. Wayne also managed ICMA’s U.S. Programs, which offered research and consulting products and services to local governments, the private sector, and the Federal government. Wayne has been with the City of Aurora since May 2014.

Professional Associations: American Institute of Certified Public Accountants; Institute for Internal Auditors; Association of Local Government Auditors; Government Finance Officers Association

Michelle Crawford | Internal Audit Staff

Michelle is a Certified Internal Auditor (CIA), a Certified Fraud Examiner (CFE), Certified in Risk Management Assurance (CRMA) and has 13 years of experience in governmental auditing. She received her Bachelor’s in business administration at the University of Montana and her Master’s in accountancy from Missouri State University. Upon graduation from Missouri State University, she started her career at the Missouri State Auditor’s office as a Staff Auditor I and progressed over the next seven years to a Senior Auditor. As an auditor with the State Auditor’s office, she conducted performance audits of local governments and worked on the statewide Single Audit. Michelle has been with the City of Aurora since October 2014.

Professional Associations: Association of Certified Fraud Examiners; Institute for Internal Auditors; Association of Local Government Auditors; Government Finance Officers Association

Sheree Van Buren | Internal Audit Staff

Sheree is a Certified Internal Auditor (CIA) with 10 years of audit experience. She graduated from Colorado State University in 2010 with a Bachelor of Science in Business Administration – Accounting degree. Prior to joining the City of Aurora, she spent three years as an Audit Associate with PwC, LLP. During this time, Sheree worked in the financial services industry, performing year-end financial statement audits for local and international investment companies.

Professional Associations: Institute for Internal Auditors; Association of Local Government Auditors; Government Finance Officers Association; National Forum for Black Public Administrators; Black Employees for a Better Aurora
Appendix A: Completed Engagement Summary Reports

- APD Body-Worn Cameras
- Public Safety Culture Survey
BACKGROUND
The Aurora Police Department (APD) started its body-worn camera (BWC) program in 2016.

The Department’s philosophy regarding body-worn cameras is that their use is to enhance safety, accountability, transparency, the preservation of evidence, and documentation.

When appropriately used, body-worn cameras can contribute to the transparency that the public is demanding related to encounters with law enforcement. They can also protect officers by providing critical context leading up to acts of force. Their effectiveness can depend on how well the officers and the Department comply with laws, policies, and best practices related to their usage.

Aurora Police Department Body-Worn Camera Compliance

SCOPE
- Aurora Police Department processes in force as of March 2020;
- Body-worn camera footage from the VieVu video system between January 1, 2020 and March 31, 2020 in the system as of April 28, 2020; and,
- Computer-aided dispatch (CAD) information from May 1 through May 31, 2020, in the system as of June 2, 2020.

OBJECTIVE
How well does the Aurora Police Department comply with policies, laws, and best practices related to the use of body-worn cameras?

CONCLUSIONS
We conclude based on our engagement procedures that Aurora Police complies with some, but not all, policies and best practices.

KEY RECOMMENDATIONS AND RESPONSES

Policy: We recommend that Aurora Police update the Body-Worn Camera Directive to reflect the best practices listed in the report.

Interrupted footage: We recommend APD comply with Directives 16.4.3 and 16.4.5, develop procedures to monitor for compliance, and take appropriate action to address any future department-wide non-compliance identified during APD reviews in accordance with existing policies. We recommend APD update its training to reflect an expectation that cameras will be on for the entirety of an event, with limited exceptions.

Reviews: We recommend APD assign responsibility for monitoring department-wide body-worn camera compliance with Directive 16.4 to an appropriate unit. We also recommend APD develop a structured approach for supervisor reviews, including templates and checklists, or specific compliance areas Supervisors can document within the BWC system.

City Manager Response
This Audit helps bolster the case for the establishment of a police audit function that will help improve the integrity of the department, increase transparency and help build community trust in the good work that APD does.

Police Response
We agree with the recommendations. We are working to make policy revisions to address the issues. Currently there is no unit that can complete the monitoring task. We will be looking to see if there is a technology answer to this issue as we go through the RFP process.
Public Safety Communications Culture Reassessment

**SCOPE**
Our scope included all Public Safety Communications (PSC) staff as of our survey date, February 3, 2020.

**OBJECTIVES**
To reassess the culture within the Public Safety Communications division.

**CONCLUSIONS**
By identifying and addressing staff perceptions and misperceptions, PSC can take steps to establish a culture that can improve its effectiveness and increase employee satisfaction and engagement.

**KEY RECOMMENDATIONS AND RESPONSE RECOMMENDATIONS**
We recommend Management articulate the desired culture (with staff input) and identify the primary drivers that will lead to the desired culture.

We recommend Management actively encourage and support professional training and development for all staff. When staff has received the training and knowledge they need to perform well in their positions, we recommend Supervisors and Managers consistently provide constructive and honest performance feedback to staff.

We recommend that PSC develop activities to formally and informally recognize staff performance and reduce the use of punishment as a motivation method.

We recommend developing ways to increase two-way feedback and staff participation in decision-making, goal setting, and problem-solving.

**CONCLUSIONS**
Management has agreed to implement the recommendations and has incorporated efforts into the division’s strategic plan.

---

**BACKGROUND**
In 2018, Internal Audit conducted a baseline survey to provide Management with an understanding of the state of the culture within the Public Safety Communications division. The division has undergone significant operational changes and has experienced significant turnover in division leadership. Internal Audit recommended PSC Management focus on communication, teamwork, decision making, and trust to move the division toward a Participative system of management.

Since then, the division has hired the permanent Director and has continued undergoing many operational changes. As such, a reassessment was timely.