

INTER-DISTRICT INTERGOVERNMENTAL AGREEMENT

THIS INTER-DISTRICT INTERGOVERNMENTAL AGREEMENT (“Agreement”) is made and entered into the 21st day of May, 2021 by and between GSF BUSINESS IMPROVEMENT DISTRICT (“Operating District”) GSF METROPOLITAN DISTRICT NOS. 1 & 2 (collectively, “Financing Districts”), quasi-municipal corporations and political subdivisions of the State of Colorado (collectively referred to herein as “Districts” or individually as “District”).

RECITALS

WHEREAS, the Operating District was organized to provide public services and improvements pursuant to the Initial Operating Plan, which the Colorado Springs City Council approved through Ordinance No. 21-35, effective April 24, 2021 (“Operating Plan”); and

WHEREAS, the Financing Districts were organized to provide public services and improvements pursuant to the Service Plan for GSF Metropolitan District Nos. 1 & 2, which the Colorado Springs City Council approved through Resolution No. 45-21 on March 23, 2021 (“Service Plan”); and

WHEREAS, pursuant to Article XIV, Section 18(2)(a) of the Colorado Constitution, and Section 29-1-201, *et seq.*, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each District; and

WHEREAS, the primary purpose and function of the Financing Districts are to provide funding and the necessary tax base for financing the construction, operation and maintenance of certain public improvements (as defined by the Service Plan) by the Operating District; and

WHEREAS, the primary purpose of the Operating District is to obtain financing for construction of the public improvements, manage the construction and operation of the public improvements, and to own, operate and maintain the public improvements to the extent permitted by the Operating Plan and City of Colorado Springs requirements and pursuant to a long-term operations and maintenance program; and

WHEREAS, the Districts desire to set forth herein the terms and conditions upon which certain public improvements will be financed, funded, constructed, owned, operated and maintained and for other purposes.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Districts hereby agree as follows:

1. The Districts shall diligently attempt to implement their Service Plan and Operating Plan in accordance with their respective terms. Without limiting the rights and privileges or duties and obligations of the Districts as set forth in the Service Plan and Operating Plan, it is generally anticipated that the Operating District will develop a coordinated plan for financing public improvements identified in the Service Plan and Operating Plan, and that the Districts will work cooperatively to implement the financing plan in such a way as to enable the Operating District to

construct, operate and maintain the public improvements described in the Service Plan and Operating Plan.

2. The Operating District shall be responsible for the design, acquisition, construction, installation, relocation, funding, financing, operation and maintenance of potable and non-potable water system, sanitation facilities and improvements, street and roadway improvements, drainage improvements, traffic and safety improvements, landscaping improvements, public park and recreation facilities, and additional metropolitan district and business improvement district improvements within the Districts, as provided and permitted in the Service Plan and Operating Plan. Development within the Districts will proceed in phases and construction of such public improvements will be completed in phases as development and need for service necessitates.

3. The Operating District is anticipated to obtain financing for construction and installation of such public improvements in accordance with the provisions of the Operating Plan, through general obligation and/or revenue bonds or other instruments issued by the Operating District. The Financing Districts will pay to the Operating District all revenue raised from mill levies assessed by the Financing District to offset the operating expenses and debt service incurred by the Operating District for provisions of services to property within the Financing Districts. This obligation shall constitute debt of the Financing Districts; therefore, mill levies certified by the Financing Districts shall be characterized as debt service mill levies.

4. The Financing Districts will assign all revenue raised from all sources, including, but not limited to *ad valorem* property taxes, development fees, capital facilities fees, specific ownership taxes, and interest, to the Operating District in order to offset the expenses of the construction of the public improvements and the Operating District's costs of operation and maintenance of such public improvements.

5. The public improvements constructed hereunder and in accordance with the Service Plan and the Operating Plan shall be owned, operated and maintained by the Operating District or dedicated upon completion to the City of Colorado Springs or its designee or other appropriate jurisdiction. It shall be the Operating District's responsibility to provide the operations and maintenance services and to maintain necessary insurance for the public improvements the Operating District owns in a manner deemed appropriate by the Districts, and in compliance with applicable law. The Financing District shall have no direct responsibility for operations or maintenance of such public improvements.

6. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the parties hereto, any rights, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the parties shall be for the sole and exclusive benefit of the parties. The covenants, terms, conditions, and provisions contained herein shall inure to and be binding upon the representatives, successors, and permitted assigns of the parties hereto. This Agreement is not intended to create any third-party beneficiaries, implied trusts, or similar implied agreements, nor may the provisions hereof be enforced by any person or entity not a party hereto, including without limitation, the owners of bonds issued by the Districts.

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

8. This Agreement may be amended from time to time by agreement between the Districts; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the Districts unless the same is in writing and duly executed by the Districts.

[Signatures to follow]

IN WITNESS WHEREOF, the Districts have executed this Agreement on the date first above written.

GSF METROPOLITAN DISTRICT NO. 1

By: _____
President

ATTEST:

Secretary

GSF METROPOLITAN DISTRICT NO. 2

President

ATTEST:

Secretary

GSF BUSINESS IMPROVEMENT DISTRICT

By: M2 _____
President

ATTEST:

Secretary