

RESOLUTION NO. 2023-11-02

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
9TH AVENUE METROPOLITAN DISTRICT NO. 3, CITY AND COUNTY OF
DENVER, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING
EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND
APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2024**

A. The Board of Directors of 9th Avenue Metropolitan District No. 3 (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body by October 15, 2023 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 16, 2023, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF 9TH AVENUE METROPOLITAN DISTRICT NO. 3, CITY AND COUNTY OF DENVER, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 16, 2023.

**9TH AVENUE METROPOLITAN
DISTRICT NO. 3**

By: 
[Frank Cannon \(Dec 11, 2023 14:43 EST\)](#)

Frank Cannon, President

Attest:

By: *James J. Alexander*

Jim Alexander, Secretary

EXHIBIT A

Budget

9TH AVENUE METROPOLITAN DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2024

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Specific ownership taxes	11,097	12,881	15,389
Interest income	42	1,000	1,500
Other revenue	-	-	4,475
TIF revenue	230,719	257,622	301,636
Total revenues	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
Total funds available	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
EXPENDITURES			
General Fund	241,858	271,503	323,000
Total expenditures	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
Total expenditures and transfers out requiring appropriation	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ -</u>

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 18,135,110	\$ -	\$ -
Residential - Single Family	-	2,259,150	3,007,480
Residential - Multi Family	-	15,603,770	21,363,150
Commercial	1,898,570	1,898,570	-
State assessed	131,900	62,900	68,720
Vacant land	785,070	785,070	10
	20,950,650	20,609,460	24,439,360
TIF Increment	(20,950,650)	(20,609,460)	(24,439,360)
Certified Assessed Value	\$ -	\$ -	\$ -

MILL LEVY

General	11.133	12.500	12.721
Total mill levy	11.133	12.500	12.721

PROPERTY TAXES

General - TIF	\$ 230,910	\$ 255,040	\$ 307,784
Levied property taxes	230,910	255,040	307,784
Budgeted property taxes	\$ 230,910	\$ 255,040	\$ 307,784

BUDGETED PROPERTY TAXES

Net General TIF Taxes	\$ 230,910	\$ 255,040	\$ 307,784
	\$ 230,910	\$ 255,040	\$ 307,784

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Specific ownership taxes	11,097	12,881	15,389
TIF revenue	230,719	-	-
Interest income	42	1,000	1,500
Other revenue	-	-	4,475
Net TIF taxes	-	257,622	301,636
Total revenues	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
Total funds available	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
EXPENDITURES			
General and administrative			
Contingency	-	-	4,475
Intergovernmental expenditures	241,858	271,503	318,525
Total expenditures	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>241,858</u>	<u>271,503</u>	<u>323,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court of the City and County of Denver on September 20, 2016, and recorded on September 30, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City and County of Denver, Colorado (City). The District held its organizational meeting on December 8, 2016.

9th Avenue Metropolitan District No. 1 (the Service District) was organized in conjunction with 9th Avenue Metropolitan District Nos. 2 and 3, (the Financing Districts) (together with the Service District, the Districts). The Service District will act as manager for the Districts to coordinate and manage the financing, acquisition, construction, completion, operation, and maintenance of all public infrastructure and services within and without the Districts' service area, including streets, traffic and safety, water, sanitation, storm drainage, transportation, mosquito control, and park and recreation facilities for the collective use and benefit of the property owners within, and residents of all of the Districts. The Financing Districts were organized to generate revenue to pay the costs of the Districts' improvements.

The Service District shall have the power to provide covenant enforcement and design review services within the Districts' service area. The Districts shall also have the power to form a special improvement district within the boundaries of the Districts to encourage, accommodate, and finance renewable energy improvements and energy efficiency improvements.

On November 3, 2015, the District's voters authorized general obligation indebtedness of \$2,080,000,000 for the above listed facilities and powers, but the District's Service Plan limits the total debt issuance to \$160,000,000, with a maximum debt mill levy of 50.000 mills.

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

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

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District. Because the net assessed value of the District is \$0, no property taxes will be collected in 2023. See DURA note below.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

Pursuant to a Capital Pledge Agreement by and among the District, District No.2, and the Trustee (the “Pledge Agreement”), the District has covenanted to levy an ad valorem mill levy upon all taxable property within the District each year in an amount that would generate District Property Tax Revenues, together with the District No. 2 Property Tax Revenues expected to be collected by District No. 2 pursuant to the Indenture, sufficient to pay the principal of, premium if any, and interest and any other Financing Costs of District No. 2 Bonds as the same become due and payable. The District’s Required Mill Levy shall be zero mills in any year in which the Property Tax Revenues expected to be collected by District No. 2 will be sufficient to pay the Financing Costs, but such mill levy shall not exceed 50 mills (as adjusted).

Specific Ownership Tax

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 5% of the property taxes collected. See DURA note below.

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - Continued

TIF Taxes

The District has entered into an agreement with the Denver Urban Renewal Authority (DURA) whereby the net taxes levied by the District on the gross assessed value of the District will be remitted to the District by DURA on a monthly basis. See DURA note below.

Net Interest Income

Interest earned on the District's funds has been estimated based on historical earnings.

Expenditures

Intergovernmental Transfers

Per provisions of the Districts' Service Plans and a Memorandum of Understanding effective September 30, 2016, the Service District will provide for the overall administration of the Districts. The District will transfer the net funds of its operational mill levy, as received from DURA, to the Service District to fund these obligations.

Intergovernmental Agreements

Denver Urban Renewal Authority (DURA)

All of the property within the boundaries of the Districts (the "Development") is subject to the 9th and Colorado Urban Renewal Plan approved by an ordinance adopted by the City on July 26, 2013 (the "Urban Renewal Plan"). The Urban Renewal Plan specifies, for purposes of the Urban Renewal Law, a "Redevelopment Area" (referred to herein as the "9th and Colorado Urban Redevelopment Area") encompassing approximately 41 acres, comprising substantially all of the former campus of the University of Colorado Health Sciences Center.

In connection therewith and in order to further provide for the financing of public improvements within the 9th and Colorado Urban Redevelopment Area, the Denver Urban Renewal Authority ("DURA") and the City entered into the 9th Avenue Tax Increment Area Cooperation Agreement dated as of December 15, 2014 (the "City/DURA Cooperation Agreement"). In accordance therewith and with the Urban Renewal Law (Section 31-25-101, et seq. C.R.S.), until the 25th anniversary of the date of the approval by the City Council of the 9th Avenue Project (i.e. December 8, 2039) (also referred to herein as the "TIF Period"), all property taxes resulting from imposition of ad valorem property taxes on the assessed valuation of all taxable property in the 9th Avenue Project within 9th and Colorado Urban Redevelopment Area (which includes all of the property within the boundaries of the Districts) in excess of the base assessed valuation thereof (i.e., the incremental assessed valuation) are to be remitted by the City to DURA. According to the City Assessor, the base assessed valuation of taxable property in the Districts is zero.

**9TH AVENUE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Intergovernmental Agreements (continued)

The Districts and DURA entered into a Cooperation Agreement, dated as of June 21, 2018 (the “District Cooperation Agreement”) pursuant to which DURA has agreed to remit during the TIF Period to each of the Districts’ respective revenues generated from the imposition of ad valorem property taxes by such district on the incremental assessed valuation of property of such district, including property tax revenue resulting from the imposition of the Required Mill Levy. Accordingly, during the TIF Period, the Districts receive their respective Property Tax Revenue from DURA and not from the City Treasurer. During the TIF Period, the Districts may also receive Specific Ownership Taxes from DURA and not from the City Treasurer.

In October 2018, DURA issued bonds in the aggregate principal amount of \$63,760,000 for the purpose of, among other things, reimbursing the Developer for a portion of the costs incurred in financing the construction of certain public improvements in the Development pursuant to the Redevelopment Agreement. The DURA Bonds are secured by a pledge of certain amounts generated within the 9th and Colorado Urban Redevelopment Area by incremental increases in property tax revenues and sales tax revenues, except for those incremental increases in property tax revenues generated within the boundaries of the Districts from the imposition of their Required Mill Levy respectively, which revenues are pledged to the payment of the Bonds.

Debt and Leases

The Capital Pledge Agreement (see above) is considered a debt instrument. The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to the Service District, which pays for all of the Districts’ operations and maintenance costs, an Emergency Reserve is not reflected in the District’s budget. It is accounted for in the budget of the Service District.

This information is an integral part of the accompanying budget.

I, Jim Alexander, hereby certify that I am the duly appointed Secretary of the 9th Avenue Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of the 9th Avenue Metropolitan District No. 3 held on November 16, 2023.

James J. Alexander
Jim Alexander, Secretary

RESOLUTION NO. 2023-11-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE 9TH AVENUE METROPOLITAN DISTRICT NO. 3 LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S.,
FOR THE YEAR 2023, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR
THE 2024 BUDGET YEAR**

A. The Board of Directors of the 9th Avenue Metropolitan District No. 3 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 16, 2023.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the 9th Avenue Metropolitan District No. 3, City and County of Denver, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2024 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Assessor of the City and County of Denver, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 16, 2023.

**9TH AVENUE METROPOLITAN
DISTRICT NO. 3**

By: 
Frank Cannon (Dec 11, 2023 14:43 EST)

Frank Cannon, President

Attest:

By: James J. Alexander
Jim Alexander, Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of DENVER COUNTY, Colorado.

On behalf of the 9TH AVENUE METROPOLITAN DISTRICT NO. 3,
 (taxing entity)^A
 the BOARD OF DIRECTORS,
 (governing body)^B
 of the 9TH AVENUE METROPOLITAN DISTRICT NO. 3,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 24,439,360
(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 0
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/10/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>12.721</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	[NaN] mills	\$ [NaN]
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	[NaN] mills	\$ [NaN]

Contact person: Jason Carroll Phone: (303)779-5710
 Signed: Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

I, Jim Alexander, hereby certify that I am the duly appointed Secretary of the 9th Avenue Metropolitan District No. 3, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the 9th Avenue Metropolitan District No. 3 held on November 16, 2023.

James J. Alexander

Jim Alexander, Secretary