

**RESOLUTION NO. 2024-11-02**

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
9TH AVENUE METROPOLITAN DISTRICT NO. 1, 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 2025**

A. The Board of Directors of 9th Avenue Metropolitan District No. 1 (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, 2024 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 21, 2024, 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. 1, 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 21, 2024.

**9TH AVENUE METROPOLITAN  
DISTRICT NO. 1**

By:   
Frank Cannon, President

Attest:

By: *Matthew P Scharz*  
Matt Scharz, Secretary

## **EXHIBIT A**

### **Budget**

**9TH AVENUE METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2025**

**9TH AVENUE METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ (100,516)	\$ (83,437)	\$ 2,812
REVENUES			
Interest Income	3	8	4,174
Retail sales fee revenue	315,397	200,000	200,000
Intergovernmental revenues - District No. 2	302,919	391,272	495,000
Intergovernmental revenues - District No. 3	269,090	317,286	362,326
Other Revenue	-	-	28,500
Total revenues	887,409	908,566	1,090,000
Total funds available	786,893	825,129	1,092,812
EXPENDITURES			
General and administrative			
Accounting	38,171	43,000	45,000
Auditing	7,100	14,000	15,000
County Treasurer's Fee	98	-	-
Administration fees	9,000	9,000	9,000
Dues and Membership	2,644	1,163	1,500
Insurance	12,841	11,212	12,000
Legal	60,489	70,000	72,500
Miscellaneous	-	250	500
Security	85,329	100,000	100,000
Election	4,765	-	7,500
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	28,500
Website	-	192	10,000
Operations and maintenance			
Repairs and maintenance	10,976	5,000	10,000
Landscaping	149,473	130,000	140,000
Janitorial services	108,661	110,000	115,000
Property management	126,670	55,000	60,000
Storm drainage	73,448	55,000	60,000
Snow removal	148,203	180,000	190,000
Utilities	28,962	35,000	40,000
Total expenditures	870,330	822,317	920,000
ENDING FUND BALANCES	\$ (83,437)	\$ 2,812	\$ 172,812
EMERGENCY RESERVE	\$ 17,200	\$ 21,300	\$ 26,700
AVAILABLE FOR OPERATIONS	(100,637)	(18,488)	146,112
TOTAL RESERVE	\$ (83,437)	\$ 2,812	\$ 172,812

**9TH AVENUE METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2025 BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
<b>ASSESSED VALUATION</b>			
Residential	\$ 30	\$ -	\$ -
Certified Assessed Value	\$ 30	\$ -	\$ -
<b>MILL LEVY</b>			
Total mill levy	0.000	0.000	0.000
<b>PROPERTY TAXES</b>			
Budgeted property taxes	\$ -	\$ -	\$ -
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

**9TH AVENUE METROPOLITAN DISTRICT NO. 1  
2025 BUDGET  
SUMMARY OF SIGNIFCANT 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.

9<sup>th</sup> Avenue Metropolitan District No. 1 (the Service District) was organized in conjunction with 9<sup>th</sup> 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.

**Revenue**

**Intergovernmental Transfers**

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

**Net Investment Income**

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



**9TH AVENUE METROPOLITAN DISTRICT NO. 1**  
**2025 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Other Revenue**

On November 15, 2022, the District entered into an “Operation Funding Agreement – Retail Sales Fee Revenue” with 9<sup>th</sup> Avenue (Denver) Land, LLC (the “Developer”) whereby the Developer assigned a portion of its Retail Sales Fee Revenue to the District to help fund the District’s operations and maintenance expenses.

**Debt Service**

Debt service payments in 2025 are provided based on the debt amortization schedule from the Series 2018 Bonds (discussed under Debt and Leases).

**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.

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, all 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.

**9TH AVENUE METROPOLITAN DISTRICT NO. 1  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Intergovernmental Agreements (Continued)**

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.

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, meeting expense, and other administrative expenses.

**Operations and Maintenance Expenditures**

The District will be responsible for the operations and maintenance of certain common areas within the Districts. The District has budgeted \$615,000 for these expenditures in 2025.

**Debt and Leases**

The District's only debt is developer advances for operations. The developer advances will be issued pursuant to an Operation Funding Agreement entered into with the Developer effective September 30, 2016, and as amended on November 21, 2019, November 19, 2020, and November 18, 2021. Simple interest shall accrue on any advances at the rate of 8% per annum. See below for the anticipated advance activity:

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024
Developer Advances				
Principal	\$ 235,000	\$ -	\$ -	\$ 235,000
Interest	39,305	18,800	-	58,105
Total	<u>\$ 274,305</u>	<u>\$ 18,800</u>	<u>\$ -</u>	<u>\$ 293,105</u>
	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025
Developer Advances				
Principal	\$ 235,000	\$ -	\$ -	\$ 235,000
Interest	58,105	18,800	-	76,905
Total	<u>\$ 293,105</u>	<u>\$ 18,800</u>	<u>\$ -</u>	<u>\$ 311,905</u>

The District has no operating or capital leases.

**9TH AVENUE METROPOLITAN DISTRICT NO. 1  
2025 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

The District has provide for an emergency reserve fund equal to at least 3% of fiscal year spending for 2025, as defined under TABOR.

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

I, Matt Schartz, hereby certify that I am the duly appointed Secretary of the 9th Avenue Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2025, duly adopted at a meeting of the Board of Directors of the 9th Avenue Metropolitan District No. 1 held on November 21, 2024.

*Matthew P Schartz*

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Matt Schartz, Secretary

**RESOLUTION NO. 2024-11-03**

**RESOLUTION TO SET MILL LEVIES**

**RESOLUTION OF THE 9TH AVENUE METROPOLITAN DISTRICT NO. 1 LEVYING  
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S.,  
FOR THE YEAR 2024, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR  
THE 2025 BUDGET YEAR**

A. The Board of Directors of the 9th Avenue Metropolitan District No. 1 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 21, 2024.

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. 1, City and County of Denver, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2025 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 2025 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.

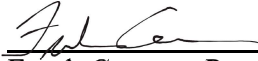
3. That for the purpose of meeting all contractual obligation expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required 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 21, 2024.

**9TH AVENUE METROPOLITAN  
DISTRICT NO. 1**

By:   
Frank Cannon, President

Attest:

By: *Matthew P Scharz*  
Matt Scharz, Secretary

## **EXHIBIT 1**

### **Certification of Tax Levies**

**TO:** County Commissioners<sup>1</sup> of DENVER COUNTY, Colorado.

**Submitted:** 12/06/2024 for budget/fiscal year 2025  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-I-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.*

<sup>2</sup> 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<sup>J</sup>:**

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<sup>K</sup>:**

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, Matt Schartz, hereby certify that I am the duly appointed Secretary of the 9th Avenue Metropolitan District No. 1, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2025, duly adopted at a meeting of the Board of Directors of the 9th Avenue Metropolitan District No. 1 held on November 21, 2024.

*Matthew P Schartz*

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Matt Schartz, Secretary