

Lone Tree Business Improvement District Operating Plan and Budget for 2024

Prepared By:

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EXECUTIVE SUMMARY

On July 20, 2015 the City of Lone Tree (the “City”) received a petition signed by commercial business owners seeking the formation of the Lone Tree Business Improvement District (the “BID”). On September 1, 2015 the Lone Tree City Council (the “City Council”) approved the formation of the BID. The BID was created to assist with the financing, construction, operation, marketing and maintenance of public improvements and public services intended to maintain and improve the economic performance of business entities located within the BID.

BID Budget.

Under state law, by September 30th of each year, the BID must submit an operating plan and budget to the City for approval. The Board of Directors (the “Board”) must also hold a hearing prior to adoption of the final budget. As required by §31-25-1201, et seq., C.R.S. (the “BID Act”) the budget must be used for public improvements and public services.

Board of Directors.

The BID is governed by a board of directors who are appointed by, and may be removed by City Council. BID directors must be “electors” of the BID. Current members of the Board include: Pat McGaughran, Brigette Muckerman, Darryl Shoemake, Robert Morrison, Donna Reed.

Revenues.

On September 1, 2015, the BID conducted an election and placed questions on the November 2015 ballot seeking voter approval for a property tax within the BID. This authorization allows the appointed BID to impose property taxes of up to 20 mills. Eligible electors were also asked to authorize the BID to levy fees generating up to \$250,000 annually to finance the operation, administration, and maintenance expenses of the BID. In 2021, the District levied 17.500 mills for the 2022 did the same in 2022 for the 2023 budget year. 17.500 mills will be certified again in 2023 for 2024 collection.

2024 OPERATING PLAN AND BUDGET FOR THE LONE TREE BUSINESS IMPROVEMENT DISTRICT

I. PURPOSE AND SCOPE OF THE BID

- a. Purpose. The main purpose of the BID is to provide financing, construction, operation, marketing and maintenance of public improvements and public services necessary to improve the overall experience within the BID. The service area, consisting of the territory that is within the boundaries of the BID, is shown in Exhibit A attached hereto and incorporated herein by this reference.
- b. Background. The BID was organized by an ordinance of the City on September 1, 2015. By state statute, specifically § 31-25-1211, C.R.S., by September 30th of each year, the BID is required to submit an operating plan and budget to the City for review and approval. This document is the submittal for 2024.
- c. Operating Plan Contents. Pursuant to the provisions of the Business Improvement District Act, § 31-25-1201, et seq., C.R.S., as amended, this Operating Plan specifically identifies: the composition of the Board of Directors, services and improvements to be provided by the BID, the taxes, fees, and assessments to be imposed by the BID, the estimated principal amount of the bonds to be issued by the BID, and such other information as the City may require.
- d. Contact Persons. The Board has appointed the following contact persons:
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II. COMPOSITION OF THE BOARD OF DIRECTORS

The BID statute provides the City Council may appoint eligible electors to serve on the Board. An eligible elector means a natural person who is a citizen of the United States, a resident of Colorado aged eighteen years or older and who either 1) makes his primary dwelling place in the BID; 2) owns taxable real or personal property within the boundaries of the BID; 3) is the holder of a leasehold interest in taxable real or personal property within the boundaries of the BID; or 4) is the natural person designated by an owner or lessee of taxable real or personal property in the BID which is not a natural person to vote for such owner or lessee.

The City Council appointed the following individuals to the Board to serve at the pleasure of the City Council:

Pat McGaughan
Brigette Muckerman
Darryl Shoemake
Robert Morrison
Donna Reed

III. DESCRIPTION OF IMPROVEMENTS AND SERVICES

Under the organizational ordinance, the powers and the services or improvements to be provided by the BID include, but are not limited to:

- a. "Improvements" as that term is defined in Section 31-25-1203(5), C.R.S.:

“public improvements, including but not limited to streets, sidewalks, curbs, gutters, pedestrian malls, streetlights, drainage facilities, landscaping, decorative structures, statuary, fountains, identification signs, traffic safety devices, bicycle paths, off-street parking facilities, benches, rest rooms, information booths, public meeting facilities, and all necessary, incidental, and appurtenant structures and improvements.”

"Improvements" also include the relocation and improvement of existing utility lines.

- b. Landscaping Improvements including, but not limited to, landscaping, decorative structures, statuary, fountains, and all necessary, incidental, and appurtenant facilities, land, and easements, together with extensions of and improvements to such facilities.
- c. Traffic Safety Devices and Controls on streets and highways, together with all necessary, incidental, and appurtenant facilities, land, and easements, together with extensions of and improvements to said facilities.
- d. Street Improvements, including streets, sidewalks, curbs, gutters, culverts, and other drainage facilities, bridges, parking, overpasses, and pedestrian ways, interchanges, median islands, paving, streetlights, grading, landscaping, irrigation, identification, way-finding, and other signs, together with all necessary, incidental, and appurtenant facilities, land, and easements, together with extensions of and improvements to said facilities.
- e. Interior Common Area Improvements, Operation, and Maintenance, including floors, walls, lighting, seating, landscaping, planters, recreation facilities, kiosks, public information booths, stairways, escalators, elevators, public meeting areas and other interior public improvements as identified by the Board.
- f. Park and Recreation Improvements, including the design, acquisition, construction, relocation, completion, installation and/or operation and maintenance of parks and recreational facilities including, but not limited to, parks, bike paths and pedestrian ways,

bridges, open space, landscaping, fences, walls, cultural activities, play areas, conservatories, community recreational centers, tennis courts, water bodies, waterfalls, fountains, streams, lakes, ponds, irrigation facilities, and other active and passive recreational facilities and programs, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities.

- g. Public Transportation, including the design, acquisition, installation, construction, operation, and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, structures, roofs, covers, and facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extension of and improvements to said facilities or systems; provided, however, that the design, acquisition, installation, construction, operation, and maintenance of public transportation system improvements shall, where applicable, be subject to the entry into authorizing contracts pursuant to the provisions of Part 2 of Article 1 of Title 29, C.R.S.
- h. The Ownership, Operation, and Maintenance of any public improvement.
- i. The Provision of Services as described in Section 31-25-1212(1)(f), C.R.S. Such Section 31-25- 1212(1)(f) explains the power to provide services as follows:
 - a. Consulting with respect to planning or managing development activities;
 - b. Maintenance of improvements, by contract, if it is determined to be the most cost efficient;
 - c. Promotion or marketing of BID activity;
 - d. Organization, promotion, marketing, and management of public events;
 - e. Activities in support of business recruitment, management, and development;
 - f. Security for businesses and public areas located within the district;
 - g. Snow removal or refuse collection, by contract, if it is determined to be the most cost- efficient; and Providing design assistance.
- j. The Exercise of Other Powers that are granted to business improvement districts under Section 31-25-1212, C.R.S. and other law.
- k. Audits. The BID shall complete its own audit as required by Part 6 of Article 1 of Title 29, C.R.S. and submit the same to the City for incorporation into the City's audit as a component unit or as otherwise agreed by the City and the BID.

Finally, as briefly described below, the BID is primarily focused on two major activities: maintenance and limited infrastructure improvements.

Maintenance. Landscaping improvements have been a major focus since Spring 2016. The BID engaged a landscape contractor in 2016 provide year-round clean-up and maintenance of existing landscape improvements, to make recommendations on how to improve the existing landscape areas, and to provide seasonal landscaping improvements as directed by the BID.

These services continued through 2023 and are expected to stay in place through 2024. The BID has assumed responsibility for snow removal, regular cleaning, planning, and landscaping throughout the BID area.

Infrastructure Improvements. In addition to maintenance activities, the BID may consider and undertake larger infrastructure improvements to take the BID shopping and entertainment experience to the next level. The BID has entered into a long-term license agreement with the owner of the Theater Plaza to permit the BID to construct, operate, and maintain certain improvements on the Plaza. The BID began partnering more with City staff in 2021 to create an overall site lighting improvement plan. Planning and design are ongoing.

Expansion of the BID. No additional property was included in the BID in 2023, and no additional property is expected to be included in 2024.

IV. TAXES, FEES, and ASSESSMENTS

- a. The BID successfully passed a ballot question in November 2015 enabling the collection of up to 20 mills annually. To date, the BID has certified a conservative mill levy of 17.5 mills. The BID intends to continue to assess 17.5 mills for collection in 2024.
- b. Although it does not intend to do such at this time, the BID is authorized to impose fees, rates, tolls and other charges.
- c. The proposed budget for 2024 is attached hereto as Exhibit B and incorporated herein by this reference.

V. DEBT

The BID has not issued any bonds, notes or other forms of debt nor has it issued any certificates of participation.

VI. INTERGOVERNMENTAL AGREEMENTS

The BID has entered into an Intergovernmental Agreement (“IGA”) with the City of Lone Tree for the purposes of Board Administration and Business Improvement District Management. The IGA is attached to this document under EXHIBIT C.

VII. OTHER MATERIAL AGREEMENTS

The BID entered into a contract for landscaping services and a contract for snowplowing services in 2017 which continues today. All material agreements are approved by the Board.

VIII. OPERATION AND MAINTENANCE

The BID may provide ongoing services under its various powers, but only to the extent that the City or other service provider does not provide such services. The BID may own,

operate, or maintain any public improvement. The BID may furnish street construction and maintenance including street sweeping, snow plowing and minor repairs; landscape and open space installation and maintenance including such park, recreation, conservatory, streetscape, and drainage facilities as the BID may construct, acquire or contract to maintain; and the operation and maintenance of mosquito and weed control services. The BID may also provide operation and maintenance of transportation facilities and parking lots.

IX. FINANCIAL PLAN

The BID shall have the authority to raise revenue by any means available to a Business Improvement District under Colorado law, including but not limited to taxes, assessments, rates, tolls, or charges for any services or improvements furnished by the BID.

The BID held a successful election on November 3, 2015 to authorize a property tax for up to 20 mills to finance operations of the District. It may also call and hold elections in the future for the purpose of authorizing debt, revenue limits, spending limits, and such other matters as may be necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution. If the Board of Directors determines that there is interest in the use of special assessments to pay for improvements or services, assessment matters will be voted upon by the electors within the proposed assessment district as required by §31-25-1219(1) and §31-25-534(3), C.R.S.

The BID may operate enterprises as defined in Art. X, Sec. 20 of the Colorado Constitution.

THE BID HAS NOT PLEDGED, AND SHALL NOT PLEDGE, ANY CITY FUNDS OR ASSETS AS SECURITY FOR ANY INDEBTEDNESS OF THE BID.

X. CITY OVERSIGHT OF BID ACTIVITIES

- a. Annual Operating Plan and Budget. This 2024 Operating Plan and Budget constitutes the annual operating plan and budget that the BID is required to file with the City describing the BID's proposed activities for the upcoming budget year. This annual operating plan includes a brief report of BID activities for the past year. The City shall approve or disapprove the annual operating plan and budget within thirty days after receipt of such operating plan and budget and all requested documentation relating thereto, but not later than December 5th of the year in which such documents are filed. No public hearing by the City shall be required.

This report includes the following materials:

- i. BID Name; BID Contact Person, address, telephone number, fax number; Identity of the Board of Directors; Boundary Map (see Exhibit A); IGA between BID and City of Lone Tree; 2024 Budget (See Exhibit B).
- ii. A description of activities performed in the last budget year.

- iii. An Operating Plan description of activities to be performed in the next budget year and a proposed summary budget for that year. (Adoption of the final detailed BID budget by the Board is subject to the completion of the required notice and hearing process in state law).
- b. Indebtedness.
 - i. The District has not sought authorization from the eligible electors of the BID to incur debt.
 - ii. Additional Authority. The City's approval for incurring debt must be acquired by the BID, if at all, through an amendment or modification to the operating plan approved by the City Council, and such electoral approval as may be required by law.
 - c. Inclusions and Exclusions. The City shall obtain the approval of the Board of Directors of the BID before the City approves any inclusion or exclusion of property for the BID.
 - d. Dissolution. Following notice and a public hearing before the City Council, the BID may be dissolved under the conditions, and as allowed, by Section 31-25-1225, C.R.S.
 - e. Tax, Revenue and Spending Limitation Elections. The BID may hold such tax, revenue, and spending limitation elections as may be called by the Board.

For any special improvement district formed by the BID, except as otherwise provided in this Operating Plan or Colorado law, as determined by the Board, the BID may authorize debt, taxes, spending, and other financial matters by a vote of all of the electors of the BID or by vote of the electors of the special improvement district.

XI. PROCEDURE FOR OBTAINING CITY APPROVAL OF MODIFICATIONS OF THE OPERATING PLAN

The method for review and approval of modifications of the Operating Plan is as follows:

- a. In such detail as may be reasonably requested by the City, the BID shall set forth a written proposal for the modification of the Operating Plan ("**Amendment**").
- b. The BID shall file the Amendment with the City Manager and the City Attorney.
- c. The City Clerk shall place the Amendment as an agenda item before the City Council in the manner as is provided by City ordinance or resolution at a regular or special meeting of the City Council and shall inform the BID at least ten days in advance of the date, time, and place of the City Council meeting. No public hearing on the Amendment shall be required.

- d. The City Council shall, within 30 days of the City Council meeting, adopt an ordinance, resolution, or motion approving, conditionally approving, or disapproving the Amendment as appropriate under the circumstances.

XII. PRIOR ACTIONS

The formation of the BID was approved by the City Council on September 1, 2015. Following that action, the City Council appointed an initial Board. No other action has been taken by the City Council aside from appointment of directors to serve on the Board.

XIII. CONCLUSION

It is submitted that this Operating Plan and Budget for the Lone Tree Business Improvement District meets the requirements of the Business Improvement District Act and further meets applicable requirements of the Colorado Constitution. It is further submitted that the types of services and improvements to be provided by the BID are those services and improvements which best satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S., as required by § 31-25-1207(5), C.R.S.

The BID respectfully requests that the City approve this 2024 Operating Plan and Budget.

EXHIBIT A
Boundary Map

Lone Tree Business Improvement District



YOSEMITE ST

PARK MEADOWS DR





-  Business Improvement District
-  City Limits



EXHIBIT B
2024 Budget

**Lone Tree Business Improvement District
2024 Budget**

	2022 Audited Actual	2023 Adopted Budget	Variance Favorable (Unfavorable)	2023 Forecast	2024 Proposed Budget	Notes / Assumptions
PROPERTY TAXES						
Assessed Valuation		14,920,200		14,920,200	17,908,260	August Prelim AV per County
Mill Levy Breakdown:						
Mill Levy - Operations	17.500	17.500		17.500	17.500	Assume same as 2023, 20 Mill Maximum
Total	17.500	17.500		17.500	17.500	
Property Tax Revenue - Operations	218,000	261,104		261,104	313,395	AV * Mill Levy / 1,000
Total	218,000	261,104		261,104	313,395	
COMBINED SUMMARY						
REVENUE						
Property Taxes	218,000	261,104	-	261,104	313,395	AV * Mill Levy / 1,000
Specific Ownership Taxes	22,842	20,888	-	20,888	25,072	8% of Taxes
Interest Income	(881)	60	-	60	300	
TOTAL REVENUE	239,962	282,052	-	282,052	338,766	
EXPENDITURES						
Administrative	33,805	51,246	-	51,246	64,797	
Landscaping	72,655	112,165	-	112,165	106,200	
Snow Plow Services	147,079	170,500	-	170,500	170,500	
Parking Lot Maintenance	-	-	-	-	-	
Capital	33,474	21,000	-	21,000	85,000	
Contingency / Emergencies	-	-	-	-	-	
TOTAL EXPENDITURES	287,013	354,911	-	354,911	426,497	
CHANGE IN FUND BALANCE	(47,051)	(72,859)	-	(72,859)	(87,731)	
BEGINNING FUND BALANCE	391,506	337,561	6,894	344,455	271,595	
ENDING FUND BALANCE	344,455	264,702	6,894	271,595	183,864	
COMPONENTS OF FUND BALANCE:						
Nonspendable	551	4,244	-	4,244	2,000	Prepaid insurance
Restricted for Emergencies	7,610	8,460	-	8,460	10,161	3% of General Fund Revenues
Assigned for Capital	217,751	97,266	18,535	115,801	851	
Unassigned	118,543	154,732	(11,641)	143,090	170,852	50% of Annual Budget

TOTAL FUND BALANCE

344,455	264,702	6,894	271,595	183,864
-	-	-	-	-

**Lone Tree Business Improvement District
2024 Budget**

	2022 Audited Actual	2023 Adopted Budget	Variance Favorable (Unfavorable)	2023 Forecast	2024 Proposed Budget	Notes / Assumptions
GENERAL FUND						
REVENUE						
Property Taxes	218,000	261,104	-	261,104	313,395	
Specific Ownership Taxes	22,842	20,888	-	20,888	25,072	
Interest Income	(940)	10	-	10	250	
TOTAL REVENUE	239,903	282,002	-	282,002	338,716	
EXPENDITURES						
Administrative						
Accounting	10,141	18,000	-	18,000	-	
Management	-	-	-	-	50,000	
Audit	4,935	5,330	-	5,330	5,597	
Insurance & SDA Dues	3,665	4,000	-	4,000	4,000	
Legal / Management	10,865	19,000	-	19,000	-	
Office Supplies/ Misc. Other	929	1,000	-	1,000	500	Quickbooks Software
Treasurer's Fees	3,269	3,917	-	3,917	4,701	
Total Administrative	33,805	51,246	-	51,246	64,797	
Grounds Maintenance						
Landscaping & Other Maintenance:						
Base Contract	55,155	58,500	-	58,500	60,255	
Irrigation Maint & Repair	-	1,500	-	1,500	1,500	
Annual Flowers	-	17,500	-	17,500	17,500	
Mulch Replacement	4,000	4,000	-	4,000	4,500	
Tree Feeding / Spraying	-	7,500	-	7,500	7,500	
Turf Fertilizer & Treatments	-	6,765	-	6,765	6,765	
Drainage Pond Cleaning	-	1,500	-	1,500	1,500	
Storm Damage / Other	-	1,000	-	1,000	1,000	
Holiday Lighting	13,500	13,900	-	13,900	5,000	
Plaza Planning	-	-	-	-	680	
Tree Trimming & Pruning	-	-	-	-	-	
Parking Lot Maintenance	-	-	-	-	-	
Total Landscaping & Maint	72,655	112,165	-	112,165	106,200	

Snow Plow Services:					
Plow Truck & Skid Steer	61,852	73,500	-	73,500	73,500
ATV & Hand Shoveling	51,570	58,000	-	58,000	58,000
Ice Melt	33,658	39,000	-	39,000	39,000
Other	-	-	-	-	-
Total Snow Plowing	147,079	170,500	-	170,500	170,500
Total Grounds Maintenance	219,734	282,665	-	282,665	276,700
Contingency / Emergencies	-	-	-	-	-
TOTAL EXPENDITURES	253,539	333,911	-	333,911	341,497
REVENUES OVER (UNDER) EXP	(13,636)	(51,909)	-	(51,909)	(2,781)
TRANSFER FROM (TO) CAPITAL FUND	72,000	81,000	-	81,000	30,000
CHANGE IN FUND BALANCE	58,364	29,091	-	29,091	27,219
BEGINNING FUND BALANCE	68,340	138,345	(11,641)	126,704	155,794
ENDING FUND BALANCE	126,704	167,436	(11,641)	155,794	183,013

**Lone Tree Business Improvement District
2024 Budget**

	2022 Audited Actual	2023 Adopted Budget	Variance Favorable (Unfavorable)	2023 Forecast	2024 Proposed Budget	Notes / Assumptions
CAPITAL FUND						
REVENUE						
Interest Income	59	50	-	50	50	
TOTAL REVENUE	59	50	-	50	50	
EXPENDITURES						
Capital						
Tree Removal & Replacement	-	21,000	-	21,000	-	
Capital Improvements	-	-	-	-	-	
Lighting Improvements	33,474	-	-	-	-	
Plaza Upgrades- Phase 1	-	-	-	-	-	
Plaza Upgrades- Phase 2	-	-	-	-	-	
Plaza Upgrades- Phase 3	-	-	-	-	-	
Update Parking Lot Islands	-	-	-	-	-	
Entrance Enhancements	-	-	-	-	-	
Corner & Street Enhancements	-	-	-	-	-	
Replace Turf With Perennial Beds	-	-	-	-	-	
Parking Lot Improvements (Asphalt and Striping)	-	-	-	-	85,000	
Contingency / Emergencies	-	-	-	-	-	
TOTAL EXPENDITURES	33,474	21,000	-	21,000	85,000	
REVENUES OVER (UNDER) EXP	(33,415)	(20,950)	-	(20,950)	(84,950)	
TRANSFER FROM (TO) GENERAL FUND	(72,000)	(81,000)	-	(81,000)	(30,000)	
CHANGE IN FUND BALANCE	(105,415)	(101,950)	-	(101,950)	(114,950)	
BEGINNING FUND BALANCE	323,166	199,216	18,535	217,751	115,801	
ENDING FUND BALANCE	217,751	97,266	18,535	115,801	851	

EXHIBIT C
IGA between BID and City of Lone Tree

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF LONE TREE, COLORADO AND THE
LONE TREE BUSINESS IMPROVEMENT DISTRICT**

THIS INTERGOVERNMENTAL AGREEMENT (“Agreement”) is entered into this ____ day of _____, 2023, by and between the **CITY OF LONE TREE, COLORADO**, a Colorado home rule municipal corporation and the **LONE TREE BUSINESS IMPROVEMENT DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado, collectively referred to herein as the “Parties” and individually as the “Party.”

RECITALS

WHEREAS, by Ordinance No. 15-04, as amended by Ordinance No. 15-06, and in accordance with C.R.S. § 31-25-1201 *et seq.* (the “Business Improvement District Act”), the City Council of the City of Lone Tree (hereinafter the “City”) established the Lone Tree Business Improvement District (hereinafter the “BID” or “District”); and

WHEREAS, the BID is governed by representatives of the owners or lessees of taxable real or personal property within the BID who are appointed by resolution of the City Council of Lone Tree; and

WHEREAS, the purpose of the BID is to provide services and improvements to the commercial properties located within the BID Service Area (defined below), including parking lot and landscaping improvements and common area maintenance, marketing and directional signage, and infrastructure improvements potentially including but not limited to those suggested in the 2013 “Lone Tree Plaza Vision Book” (and addendum); and

WHEREAS, the boundaries and service area of the District include properties bounded by Park Meadows Drive to the south, South Yosemite Street to the west, C-470 to the north and the western boundary of 9985 Park Meadows Drive to the east (“Service Area”); and

WHEREAS, for purposes of economy and efficiency of operation, and to promote cooperation between the Parties, the City and BID desire to delegate certain administrative and management services of the BID and the Board of Directors (“Board”) to the City; and

WHEREAS, the BID is authorized to enter into contracts and to retain agents, engineers, consultants, attorneys, and accountants pursuant to C.R.S. § 31-25-1212; and

WHEREAS the City is authorized to enter into contracts pursuant to its home rule authority and C.R.S § 31-15-101.

NOW, THEREFORE, it is agreed by the Parties as follows:

TERMS AND CONDITIONS

1. Purpose of Agreement. This Agreement is entered into to establish the rights and responsibilities of the City and the BID with respect to administrative, management and operational assistance to support the BID’s operational plan and goals for the Service Area of the BID.

2. Operational Assistance. The City agrees to assign City staff to support the BID in the provision of the following services on an as-needed basis and as City staff and resources are available (collectively, the “Services”):

A. Board of Directors Administration.

- a. Scheduling Board meetings;
- b. Preparing Board meeting agendas;
- c. Coordination with Board members;
- d. Coordinate and draft District annual plan;
- e. Assist in BID strategic planning and Board retreats;
- f. Coordinate with City departments, City Council and committees.

B. Project Management.

- a. City staff shall provide management and coordination of BID third party services including but not limited to: landscaping, snow removal, parking lot maintenance, electrical-lighting maintenance, detention pond maintenance. The City staff may also provide recommendations and management oversight of capital improvements within the BID Service Area.

C. Marketing and Communications.

- a. Preparation and maintenance of District information on City’s website;
- b. Coordination with BID-retained consultants on creation of District branding and presentation to Board for approval;
- c. Provide organization, promotion, marketing and management of District events and activities.

D. Reports and Surveys.

- a. Coordination with consultants on economic, land, planning and other surveys and reporting as requested by the Board.

E. Financial Support.

- a. Accounting services including completion of District accounts payable and accounts receivable, management of District bank accounts; and management and oversight of District vendors and contractors.
- b. Budget services including preparation of annual District budget for Board consideration.
- c. Coordination and oversight of consultants to conduct an independent, annual audit of District finances.

F. Other Services.

- a. The City may provide other services as mutually agreed upon between the City and District, as authorized under the Business Improvement District Act.

3. Term. The term of this Agreement shall commence on January 1, 2024 and shall continue until terminated as provided herein.

4. Office Space; Equipment. The City may make available office space and office equipment to the BID Board and to City Staff working on behalf of the BID at no cost to BID.

5. Compensation; Payment. The City shall be compensated an annual flat fee amount of Fifty Thousand Dollars (\$50,000.00) for the Services ("Compensation Amount"). The City will invoice the BID for the Services on a quarterly basis in the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) on or before the 15th day of the month immediately following the end of the quarterly period. The District shall remit payment to the City within thirty (30) days of the date of the City's invoice. Notwithstanding the foregoing, the City and BID shall meet annually in August of each year to identify any changes in the scope of Services that may result in any increases or decreases in costs associated with the Services. Any increase or decrease in the Compensation Amount shall be effective for the following fiscal year, subject to approval in the District's budget for such fiscal year.

6. Governmental Immunity. The Parties acknowledge and agree that the City, its council members, officials, officers, directors, agents and employees, and the District, its officials, officers, directors, agents and employees are entitled to rely on and do not waive or intend to waive by any provision of this Agreement the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, sections 24-10-101 through 120, C.R.S. ("CGIA"), or otherwise available to the Parties.

7. Insurance. The District and the City represent and warrant they each carry comprehensive and liability insurance coverage in an amount sufficient to cover its obligations under this Agreement and any requirements of the CGIA. The District and the City shall provide each other, as requested, with a certified copy of its policy of insurance or a certificate evidencing such insurance that names the other as an additional insured.

8. Appropriations. Pursuant to section 29-1-110, C.R.S., any financial obligations of the Parties expressed or implied by this Agreement are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available on an annual basis by each Party's respective governing body.

9. Governing Law. The laws of the State of Colorado shall govern this Agreement. Venue for any action hereunder shall be in the District Court, County of Douglas, State of Colorado, and the Parties waive any right to remove any action to any other court, whether state or federal.

10. Responsibility of BID; Separate Entities. Nothing in this Agreement shall be interpreted in any manner as constituting the City as the agent of the BID or the BID as the agent of the City. Each party shall remain separate and neither shall hereby assume the debts or obligations of the other. It is the intention of the Parties that the services performed by City employees on behalf of the BID shall not interfere with the ability of such employees to carry out their duties and responsibilities for the City.

11. Termination; Amendment. This Agreement may be terminated or amended by the mutual written consent of the Parties at any time; provided however, termination of this Agreement shall not release the BID from its obligation to pay compensation due the City as provided herein,

unless such obligation is expressly terminated by the City. Either Party may terminate this Agreement upon sixty days advance written notice to the other Party.

12. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by first class mail, postage and fees prepaid, addressed to the Party to whom such notice is intended to be given at the address set forth below, or at such other address as may be subsequently furnished to the other Party as provided herein. Such notice shall be deemed to have been given when deposited in the U.S. mail.

To City: City of Lone Tree
Attn: City Manager
9220 Kimmer Drive, Suite 100
Lone Tree, Colorado 80124

To District: Lone Tree Business Improvement District
Attn: Chair, Board of Directors
9220 Kimmer Dr, Suite 100
Lone Tree, Colorado 80124

13. Binding Agreements. This Agreement represents the total binding Agreement between the Parties and replaces and supersedes any prior oral or written agreement between the City and the BID.

14. Severability. 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.

15. No Third Party Beneficiaries. 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 City and the BID any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all 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.

16. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute the same instrument. In addition, the Parties specifically acknowledge and agree that electronic signatures shall be effective for all purposes, in accordance with the provisions of the Uniform Electronic Transactions Act, Title 24, Article 71.3 of the Colorado Revised Statutes.

17. Assignment. Neither Party shall assign its rights or delegate its duties hereunder to any non-party without prior written consent of the other Party, which consent may be withheld in the reasonable discretion of the other Party. Any attempted action in violation hereof shall be void and of no effect.

CITY OF LONE TREE, COLORADO

By: _____
Jacqueline A. Millet, Mayor

ATTEST:

By: _____
Patricia Leyva, CMC, City Clerk

APPROVED AS TO FORM

By: _____
City Attorney

LONE TREE BUSINESS IMPROVEMENT DISTRICT

By: _____
Chairperson

ATTEST:

By: _____
BID Secretary

APPROVED AS TO FORM

By: _____
Attorney