

**FIRST AMENDMENT TO
SERVICE PLAN
FOR
DUS METROPOLITAN DISTRICT NO. 2**

Approved: January 30, 2017



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I. BACKGROUND

The Service Plan for DUS Metropolitan District No. 2 (“District No. 2”) was approved by the City Council of the City and County of Denver (the “City”) on August 4, 2008, and modified as of December 31, 2009 (as modified, the “Original Service Plan”). District No. 2 has determined that certain amendments are necessary in order to continue the implementation of the DUS Project (as defined in the Original Service Plan) and the financing, acquisition, construction, completion, and operation and maintenance of District Improvements (as defined in the Original Service Plan).

Specifically, it is anticipated that debt issued by the Denver Union Station Project Authority to finance the DUS Project will be refunded, in part, in a manner that requires amendment of the definition of “DUS Project Mill Levy” as set forth herein (the “Refunding Project”).

The Original Service Plan anticipated that the estimated amount of debt the Districts could issue to finance District Improvements was \$50,000,000. As set forth in the Refunding Project documents, the actual amount of DUS Project Mill Levy revenues pledged by District Nos. 1-3 cannot be determined with any certainty. For that reason, the Refunding Project assumes that the debt issued by the Denver Union Station Project Authority to finance the DUS Project fully utilized the aggregate debt of the Districts authorized in the Original Service Plan of \$300,000,000, the result of which is that no debt authorization remains for financing the construction of District Improvements, including those necessary to develop the Market Street Station Parcel. Accordingly, the Original Service Plan requires an amendment to the aggregate debt authorization.

Article II is also being amended to ensure the continued governance of the Districts until such time as persons who are qualified to serve on the Districts’ Board of Directors (the “Board”) by the Organizer are no longer necessary to fill vacancies on the Board.

II. AMENDMENTS

A. The definition of “DUS Project Mill Levy” in the Appendix to the Service Plan is amended in its entirety as follows:

“DUS Project Mill Levy means a mill levy imposed by District No. 2 and District No. 3 in an amount not to exceed 15 mills, unless the applicable Board of Directors determines in its sole discretion that a DUS Project Mill Levy in excess of 15 mills is in the best interests of either District Nos. 2 and/or 3, for 40 years commencing in 2009 or for such shorter period of time as may be necessary to pay DUS Project Bonds. In the event of any legislative or constitutionally imposed adjustment in assessed values or the method of their calculation is made after August 5, 2008, such mill levy shall be adjusted by each of DUS District No. 2 and DUS District No. 3, as applicable, to take into account such legislative or constitutionally imposed adjustments in assessed values or the method of their

calculation (as of August 5, 2008), so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.”

B. Article II is amended by deleting and replacing in its entirety the fifth bulleted subparagraph of the second paragraph with the following:

- “• It is acknowledged that District Nos. 1-3 have entered into an intergovernmental agreement, pursuant to which District No. 1 has agreed to coordinate the financing, construction, ownership, management and operation of DUS Project Improvements and to provide administrative services for District Nos. 2 and 3 and each of District Nos. 2 and 3 agree to pay its allocated share of costs incurred by the Management District by certifying a mill levy for such purposes (the “District Nos. 1-3 IGA”), which District Nos. 1-3 IGA constitutes an Inter-District IGA (as defined below). It is anticipated that District Nos. 4 and 5, which are not parties to the District Nos. 1-3 IGA, may enter into a separate Inter-District IGA to coordinate the financing, construction, ownership, management and operation of Improvements necessary for development of the Market Street Station site. Nothing in the District Nos. 1-3 IGA or this Service Plan prohibits or limits any of District Nos. 1-5 from entering into such other Inter-District Agreements as they may deem necessary or appropriate to accommodate changing circumstances related to the financing, construction, ownership, management and operation of any Improvements or the efficient provision of administrative services.”

C. Article VIII, Section E is amended by deleting and replacing in the entirety the last two sentences of the first paragraph with the following:

“District No. 2 shall be authorized to issue debt to finance District Improvements in an aggregate principal amount that shall not exceed \$50,000,000. It is acknowledged that the aggregate principal amount of \$300,000,000 authorized under the Original Service Plan was fully utilized by District Nos. 1-3 to finance the DUS Project Improvements. Refunding debt shall not count against the maximum aggregate amounts of debt authorized in the preceding sentences.”

D. Article II is amended by deleting and replacing in its entirety the last sentence of the third paragraph with the following:

“No property in the USN Development will be included into more than one District, except for property owned by the Organizer (including affiliated entities) upon which Directors of the Districts will have a qualifying interest until such time as there are otherwise qualified persons elected or appointed to fill vacancies on the Boards of Directors of the Districts.”