

**LEGAL MEMORANDUM**  
**PRIVILEGED AND CONFIDENTIAL**

**To:** DUSPA Board of Directors – March 18 Meeting  
**From:** Bookhardt & O’Toole  
**Date:** March 17, 2010  
**Re:** Summary of Agreements for Presentation at Board Meeting  
**Matter:** DUSPA/Finance Committee

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Below are summaries of the documents that have been drafted, edited or amended and the Board Action that must be taken with regard to each document.

1. **DUS Project Mill Levy Pledge Agreement:** among DUS Met District Nos. 1-3 (although all of the property that is subject to the DUS Project Mill Levy is included in the initial boundaries of DUS District No. 2), DUSPA and Zions First National Bank as the Trustee. In this document, DUSPA agrees to incur Obligations as necessary to design, construct and equip the DUS Project. DUS Districts 1 and 2 will impose, levy, collect and pledge to DUSPA the DUS District Pledged Revenues (certain mill levy revenues) as received by the Districts. District No. 1 (the “Management District”) agrees to remit to DUSPA or the Trustee all pledged revenues comprising the DUS District Pledged Revenues (“TIF” mill levies), and DUSPA agrees to apply those revenues to its Obligation costs in accordance with the Master Indenture. The DUS District Nos. 1 and 2 are obligated to remit to DUSPA the “TIF” mill levy property revenues through the expiration of the TIF Term (30 years beginning December 22, 2008 through December 23, 2038)

**Board Action:** The Finance Committee has approved this Agreement in substantially final form, and with the Board’s consent, DUSPA will execute as a party pursuant to the direction of the Finance Committee.

2. **DDA/TIF Pledge Agreement:** among DUSPA, Denver Downtown Development Authority (“DDA”) and Zions First National Bank as Trustee. In this agreement, DUSPA agrees to issue or incur Obligations as necessary to finance or refinance the acquisition, design, construction, equipment and renovation of the portions of the DUS Project to be financed with proceeds of such Obligations. DUSPA agrees to apply the net proceeds from the issuance or incurrence of the Obligations in accordance with the provisions of the related documents under which the obligations are incurred. DUSPA agrees to apply all Pledged DDA Revenues (“TIF” sales tax revenues and “TIF” property tax revenues less (i) the CPV District “TIF” property tax revenues, (ii) the DUS Districts’ non-pledged revenues and (iii) Cherry Creek Subarea BID “TIF” property tax revenues) to be

applied in accordance with the Obligation documents. In consideration of DUSPA incurring or issuing the Obligations, the DDA irrevocably pledges to DUSPA all Pledged DDA Revenues which it receives during the Term (30 years). During the Term, on the first day of each month, commencing on May 1, 2010, the DDA shall remit to the Trustee all Pledged DDA Revenues which it has received and the Trustee shall apply such Pledged DDA Revenues in accordance with the Master Indenture and other Obligation documents. The obligation of the DDA set forth in this agreement will constitute an obligation to DUSPA within the meaning of Section 31-25-807(3) of the DDA Act. The DDA also covenants that so long as this agreement is in effect, it will not pledge, encumber or otherwise transfer any portion of the Pledged DDA Revenues or any right to the Pledged DDA Revenues, but will maintain the same for the use and benefit of DUSPA.

**Board Action:** The Finance Committee has approved this Agreement in substantially final form, and with the Board's consent, DUSPA will execute as a party pursuant to the direction of the Finance Committee.

3. **DUSPA/CPVMD Agreement – Construction of Improvements:** between DUSPA and Central Platte Valley Metropolitan District ("CPVMD"). A portion of the property within the CPVMD boundaries is also included in the DUS Plan Area. The CPVMD has issued various debt instruments to finance a portion of the infrastructure it is providing. CPVMD has segregated a portion of its loan proceeds (originally dedicated to completion of the CPVMD infrastructure obligations and intends to transfer a portion of those monies to DUSPA for certain DUSPA project improvements as set forth in this agreement. DUSPA will then use this money to construct certain of its infrastructure to benefit both the DUS project and CPVMD. In exchange for the "District Monies" (an amount not to exceed \$1,084,029), DUSPA agrees to be responsible for the completion of certain improvements in the overlapping district areas, which were previously the responsibility of CPVMD. Additionally, if the City requires infrastructure that exceeds CPV's current plans due to the DUS project, CPVMD will offset such amounts from the District Monies due to DUSPA. If the DUS Project Improvements overlapping the CPV property are not completed by March 1, 2014, DUSPA will be required to re-construct the CPV infrastructure it has disturbed or demolished. This agreement is subject to annual appropriation by CPV.

**Board Action:** The Finance Committee has approved this Agreement in substantially final form, and with the Board's consent, DUSPA will execute as a party pursuant to the direction of the Finance Committee.

4. **DUSPA/CPVMD Agreement – Second Amendment to Infrastructure Open Space:**

Among the City and County of Denver, CPVMD, Trillium Corporation, WODO, LLC and DUSPA. Since the original agreement and the first amendment of that agreement, the DUS Project has materialized. As stated above, a portion of the property within the CPVMD boundaries is also included in the DUS Plan Area. To the extent that the DUS Project boundaries overlap with CPVMD's, the CPVMD infrastructure that has already been constructed and installed will be excavated and replaced with the DUSPA improvements and the CPVMD infrastructure that has not yet been constructed and installed will not be built; rather, the DUSPA infrastructure will be built or installed in its place. The purpose of this agreement is to identify what facilities have been completed since the Agreement and the First Amendment, what facilities remain to be completed, what requirements, if any, have been added by the City, and how the DUS Project affects the completion of any remaining facilities. The agreement references and incorporates the terms and recitals set forth in the DUSPA/CPVMD Agreement – Construction of Improvements.

**NOTE:** All of the City (through Pete Bartlein), DUSPA (through Mike Sullivan), and CPVMD (through its engineer) have worked closely on the CPVMD agreements, paying particular attention to the improvements and facilities that are considered complete and those that remain.

**Board Action:** The Finance Committee has approved this Agreement in substantially final form, and with the Board's consent, DUSPA will execute as a party pursuant to the direction of the Finance Committee.