

WILLIAM P. ANKELE, JR.
JENNIFER GRUBER TANAKA
CLINT C. WALDRON
KRISTIN BOWERS TOMPKINS
ROBERT G. ROGERS
BLAIR M. DICKHONER
GEORGE M. ROWLEY

OF COUNSEL:
KRISTEN D. BEAR
K. SEAN ALLEN



ZACHARY P. WHITE
TRISHA K. HARRIS
HEATHER L. HARTUNG
MEGAN J. MURPHY
EVE M. G. VELASCO
LAURA S. HEINRICH
AUDREY G. JOHNSON
LISA CANNON
CAREY S. SMITH V
ERIN K. STUTZ

April 19, 2021

VIA CERTIFIED MAIL

Adams County Clerk and Recorder
4430 S Adams County Pkwy
Brighton, CO 80601

Re: King Ranch Metropolitan District Nos. 1-5 - Filing of Approved Service Plan

Dear Clerk and Recorder:

Pursuant to Section 32-1-306, C.R.S., please find enclosed a copy of the approved Consolidated Service Plan for the King Ranch Metropolitan District Nos. 1-5 (the "Service Plan"). Please note that the Service Plan is not for recording; it is being provided pursuant to statute to be maintained as a public record for public inspection.

Please feel free to contact us with any questions. Thank you.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Emilee D. Hansen, Paralegal

Enclosure

**SERVICE PLAN
FOR
KING RANCH METROPOLITAN DISTRICT NOS. 1-5
CITY OF AURORA, COLORADO**

Prepared

by

**WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122
(303) 858-1800**

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
A.	Purpose and Intent.....	1
B.	Need for the Districts.	1
C.	Objective of the City Regarding Districts Service Plans.	1
II.	DEFINITIONS.....	2
III.	BOUNDARIES.....	5
IV.	PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION..	6
V.	DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES.....	6
A.	Powers of the Districts and Service Plan Amendment.	6
1.	Operations and Maintenance Limitation	6
2.	Fire Protection Limitation.....	6
3.	Television Relay and Translation Limitation	7
4.	Golf Course Construction Limitation.....	7
5.	Construction Standards Limitation.....	7
6.	Privately Placed Debt Limitation	7
7.	Inclusion Limitation	8
8.	Overlap Limitation.	8
9.	Initial Debt Limitation.....	8
10.	Total Debt Issuance Limitation.....	Error! Bookmark not defined.
11.	Fee Limitation	8
12.	Monies from Other Governmental Sources	8
13.	Consolidation Limitation	8
14.	Bankruptcy Limitation.....	8
15.	Service Plan Amendment Requirement.....	9
B.	Preliminary Engineering Survey.....	9
C.	Multiple District Structure.....	9
VI.	REGIONAL IMPROVEMENTS.....	10
VII.	FINANCIAL PLAN.....	11
A.	General.	11
B.	Maximum Voted Interest Rate and Maximum Underwriting Discount.	12
C.	Maximum Debt Mill Levy.....	12
D.	Maximum Debt Mill Levy Imposition Term.....	13
E.	Debt Repayment Sources.	13
F.	Debt Instrument Disclosure Requirement.	14
G.	Security for Debt.....	14
H.	TABOR Compliance.	14
I.	Districts' Operating Costs.	14
VIII.	ANNUAL REPORT.....	15
A.	General.	15

B.	Reporting of Significant Events.....	15
IX.	DISSOLUTION.....	16
X.	DISCLOSURE TO PURCHASERS	16
XI.	INTERGOVERNMENTAL AGREEMENT.....	17
XII.	CONCLUSION	17

LIST OF EXHIBITS

EXHIBIT A	Legal Descriptions
EXHIBIT B	Aurora Vicinity Map
EXHIBIT C-1	Initial Districts Boundary Maps
EXHIBIT C-2	Inclusion Area Boundary Map
EXHIBIT D	Disclosure to Purchasers
EXHIBIT E	Intergovernmental Agreement between the Districts and Aurora

I. INTRODUCTION

A. Purpose and Intent.

The Districts are independent units of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Service Plan, their activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the Districts will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the Districts. The primary purpose of the Districts will be to finance the construction of these Public Improvements.

The Districts are not being created to provide ongoing operations and maintenance services other than as specifically set forth in this Service Plan.

B. Need for the Districts.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the Districts that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of the Public Improvements needed for the Project. Formation of the Districts is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the City Regarding Districts Service Plans.

The City's objective in approving the Service Plan for the Districts is to authorize the Districts to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the Districts. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Fees, as long as such Fees are not imposed upon or collected from Taxable Property owned or occupied by an End User for the purpose of creating a capital cost payment obligation as further described in Section V.A.11. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax and Fee burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish a limited purpose for the Districts and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational activities are allowed, but only through an intergovernmental agreement with the City.

It is the intent of the Districts to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of

all Debt, and if any District has authorized operating functions under an intergovernmental agreement with the City, to retain only the power necessary to impose and collect taxes or Fees to pay for these costs.

The Districts shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Fees or from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on commercial and residential properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on residential properties. It is the intent of this Service Plan to assure to the extent possible that no commercial or residential property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no property developed for a residential use bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the Districts. With regard to Regional Improvements, this Service Plan also provides for the Districts to pay a portion of the cost of regional infrastructure as part of ensuring that development and those that benefit from development pay for the associated costs.

II. DEFINITIONS

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Agreed Upon Procedures Engagement: means an attestation engagement in which a certified public accountant performs specific procedures on subject matter and reports the findings without providing an opinion or conclusion. The subject matter may be financial or nonfinancial information. Because the needs of an engaging party vary, the nature, timing, and extent of the procedures may vary, as well.

Approved Development Plan: means a Framework Development Plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the Service Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time.

ARI or Regional Improvements: means Aurora Regional Improvements.

ARI Authority: means one or more Authorities established by an ARI Authority Establishment Agreement.

ARI Establishment Agreement: means an intergovernmental agreement establishing an ARI Authority which has, at minimum, Title 32 special districts from three (3) or more Approved Development Plan areas as parties to the Agreement.

ARI Master Plan: means one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time.

ARI Mill Levy: means the mills to be imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI master plan pursuant to the provisions of Section VI. below.

Board: means the board of directors of one District or the boards of directors of all Districts, in the aggregate.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which any District has promised to impose an *ad valorem* property tax mill levy, and/or collect Fee revenue.

C.C.R.: means the Colorado Code of Regulations, as may be amended from time to time.

City: means the City of Aurora, Colorado.

City Code: means the City Code of the City of Aurora, Colorado.

City Council: means the City Council of the City of Aurora, Colorado.

Commercial District: means a District containing property classified for assessment as nonresidential. (NOTE: all districts which include or are expected to include any residential property must be defined as a Residential District and not a Commercial District).

C.R.S.: means the Colorado Revised Statutes, as the same may be amended from time to time.

District: means any one of the King Ranch Metropolitan District Nos. 1 through 5.

District No. 1: means the King Ranch Metropolitan District No. 1.

District No. 2: means the King Ranch Metropolitan District No. 2.

District No. 3: means the King Ranch Metropolitan District No. 3.

District No. 4: means the King Ranch Metropolitan District No. 4.

District No. 5: means the King Ranch Metropolitan District No. 5.

Districts: means District No. 1 and District Nos. 2, 3, 4, and 5 collectively.

End User: means any owner, or tenant of any owner, of any taxable improvement within the Districts who is intended to become burdened by the imposition of *ad valorem* property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

External Financial Advisor: means a consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Fees: means any fee imposed by the Districts for services, programs or facilities provided by the Districts, as described in Section V.A.11. below.

Financial Plan: means the Financial Plan described in Section VII which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Gallagher Adjustment: means, if on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, the Maximum Debt Mill Levy, the Operations and Maintenance Mill Levy and the ARI Mill Levy shall be increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the applicable mill levy, as adjusted for changes occurring on or after January 1, 2004 approval are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

Inclusion Area Boundaries: means the boundaries of the area described in the Inclusion Area Boundary Map.

Inclusion Area Boundary Map: means the map attached hereto as **Exhibit C-2**, describing the property proposed for inclusion within one, but not any more than one, of the boundaries of the Districts.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as **Exhibit C-1**, describing the initial boundaries of the Districts.

Maximum Debt Mill Levy: means the maximum mill levy any of the Districts is permitted to impose for payment of Debt as set forth in Section VII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy on a particular property developed for residential uses as set forth in Section VII.D below.

Operating District: means District No. 1.

Operations and Maintenance Mill Levy: means the mill levy the Districts project to impose for payment of administration, operations, and maintenance costs as set forth in the Financial Plan in Section VII below.

Project: means the development or property commonly referred to as DIA International Industrial Park.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Special District Act, except as specifically limited in Section V below, to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of one or more of the Districts.

Residential District: means a District containing property classified for assessment as residential. (NOTE: all districts which include or are expected to include any residential property must be defined as Residential Districts and not Commercial Districts).

Regional Improvements: means Public Improvements and facilities that benefit the Service Area and which are to be financed pursuant to Section VI below.

Service Area: means the property within the Initial District Boundary Map and the Inclusion Area Boundary Map.

Service Plan: means this service plan for the Districts approved by City Council.

Service Plan Amendment: means an amendment to the Service Plan approved by City Council in accordance with the City's ordinance and the applicable state law.

Special District Act: means Section 32-1-101, et seq., of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Taxable Property: means real or personal property within the Service Area subject to ad valorem taxes imposed by the Districts.

Taxing District: means District Nos. 2, 3, 4, and 5.

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately five hundred twenty-seven (527) acres and the total area proposed to be included in the Inclusion Area Boundaries is approximately four hundred seventy-seven (477) acres. A legal description of the Initial District Boundaries and the Inclusion Area Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries is attached hereto as **Exhibit C-1**, and a map of the Inclusion Area Boundaries is attached hereto as **Exhibit C-2**. It is anticipated that the District's boundaries may change from time to time as it undergoes

inclusions and exclusions pursuant to Section 32-1-401, et seq., C.R.S., and Section 32-1-501, et seq., C.R.S., subject to the limitations set forth in Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Service Area consists of approximately one thousand four (1,004) acres of undeveloped land. The current assessed valuation of the Service Area is \$0.00 for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the Districts at build-out is estimated to be approximately zero (0) people.

Approval of this Service Plan by the City does not imply approval of the development of a specific area within the Districts, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the Districts and Service Plan Amendment.

The Districts shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the Districts as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Operations and Maintenance Limitation. The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The Districts shall dedicate the Public Improvements to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The Districts shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity, including, but not limited to street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto. Any Fee imposed by the Districts for access to such park and recreation improvements shall not result in Non-District Aurora residents paying a user fee that is greater than, or otherwise disproportionate to, similar fees and taxes paid by residents of the Districts. However, the Districts shall be entitled to impose an administrative Fee as necessary to cover additional expenses associated with Non-District Aurora residents to ensure that such costs are not the responsibility of Districts residents. All such Fees shall be based upon the Districts' determination that such Fees do not exceed reasonable annual market

fees for users of such facilities. Notwithstanding the foregoing, all parks and trails owned by the Districts shall be open to the general public and Non-District Aurora residents, subject to the rules and regulations of the Districts as adopted from time to time. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the Districts.

2. Fire Protection Limitation. The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

3. Television Relay and Translation Limitation. The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City.

4. Golf Course Construction Limitation. Acknowledging that the City has financed public golf courses and desires to coordinate the construction of public golf courses in the City's boundaries, the Districts shall not be authorized to plan, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain a golf course unless such activity is pursuant to an intergovernmental agreement with the City.

5. Construction Standards Limitation. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction and of those special districts that qualify as "interested parties" under Section 32-1-204(1), C.R.S., as applicable. The Districts will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the

Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Inclusion Limitation. The Districts shall not include within any of their boundaries any property outside the Service Area without the prior written consent of the City. The Districts shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the fee owner or owners of 100 percent of such property as provided in Section 32-1-401(1)(a), C.R.S.

8. Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts. Additionally, the Districts shall not consent to the organization of any other district organized under the Special District Act within the Service Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the Districts.

9. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the Districts shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

10. Fee Limitation. Each of the Districts may impose and collect Fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from Taxable Property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any Taxable Property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the Districts.

11. Monies from Other Governmental Sources. The Districts shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the Districts without any limitation.

12. Consolidation Limitation. The Districts shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City, unless such consolidation is between any of the Districts.

13. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the

authority of the City to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

14. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of the Districts which violate the limitations set forth in Sections V.A.1-13 above or in Section VII.B-I shall be deemed to be material modifications to this Service Plan and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts.

B. Preliminary Engineering Survey.

The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance and financing of the Public Improvements within and without the boundaries of the Districts, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area and is approximately One Hundred Fifty Million Dollars (\$150,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

C. Multiple District Structure.

It is anticipated that the Districts, collectively, will undertake the financing and construction of the Public Improvements. The nature of the functions and services to be provided by each District shall be clarified in an intergovernmental agreement between and among the Districts. All such agreements will be designed to help assure the orderly development of the Public Improvements and essential services in accordance with the requirements of this Service Plan. Implementation of such intergovernmental agreement is essential to the orderly implementation of this Service Plan. Accordingly, any determination of any Board to set aside said intergovernmental agreement without the consent of all of the Districts shall be a material modification of the Service Plan. Said intergovernmental agreement

may be amended by mutual agreement of the Districts without the need to amend this Service Plan.

VI. REGIONAL IMPROVEMENTS

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements incurred as a result of participation in the alternatives set forth in Section VI.A, B or C below.

The Taxing Districts shall impose the ARI Mill Levy and shall convey it as follows:

A. If the Districts have executed an ARI Authority Establishment Agreement and the City has been offered the opportunity to execute an ARI Authority Establishment Agreement, the terms of which provide for the City to appoint no less than thirty percent (30%) and no more than forty-nine percent (49%) of the board members who will serve as the board of directors of the ARI Authority to be established by such ARI Authority Establishment Agreement, regardless as to whether the City approves the execution of such ARI Authority Establishment Agreement, the revenue from the ARI Mill Levy shall be conveyed to the ARI Authority for the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements in the ARI Master Plan and for the operations of such ARI Authority; or

B. If the City and the Districts have executed an intergovernmental agreement then the revenue from the ARI Mill Levy shall be conveyed to the City for use in planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users and taxpayers of the Districts in accordance with such agreement; or

C. If neither Section VI.A nor VI.B above is applicable then the revenue shall be conveyed to the City and (i) the City shall place in a special account all revenues received from the ARI Mill Levy imposed in the Service Area under this Section VI and shall not expend such revenue until an intergovernmental agreement is executed between the Districts establishing the terms and conditions for the provision of the Regional Improvements; and (ii) if the intergovernmental agreement is not executed within two (2) years from the date of the approval of the Service Plan by the City and neither Section VI.A nor VI.B above have occurred within two (2) years from the date of the approval of the Service Plan by the City, then the revenue from the ARI Mill Levy shall be conveyed to the City for use by the City in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users or taxpayers of the Districts as prioritized and determined by the City.

The District shall impose the ARI Mill Levy as follows:

D. For a Residential District, the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and

continuing in each year thereafter through the twentieth (20th) year; and (ii) shall be five (5) mills from the twenty-first (21st) year through the fortieth (40th) year or the date of repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs; and (iii) for an additional ten (10) years, the mill levy shall be 45 mills; and

E. For a Commercial District, the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a debt service mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; (ii) shall be one and one-half (1.5) mills from the twenty-first (21st) year through the date of repayment of debt incurred for Public Improvements, other than Regional Improvements; and (iii) for five (5) years thereafter, the mill levy shall be twenty (20) mills; and

F. The District may, pursuant to any intergovernmental agreement with the City, extend the term for application of the ARI Mill Levy beyond the years set forth in Sections VI. A and VI. B above. The Maximum Mill Levy Imposition Term shall include the terms set forth in Sections VI. A VI. B and VI. C above and any extension of the term as approved in an intergovernmental agreement as described herein.

G. All mills described in this Section VI. are subject to the Gallagher Adjustment.

The Regional Improvements shall be limited to the provision of the planning, design, acquisition, construction, installation, relocation and/or redevelopment of street and transportation related improvements as defined in the Special District Act and the administration and overhead costs incurred as a result of participation in the alternative set forth in Sections VI.A, B, or C set forth above, unless the City has agreed otherwise in writing; provided, however, in no event shall the Regional Improvements include water or sanitary sewer improvements unless such improvements are necessary as a part of completing street and transportation related improvements. The Districts shall cease to be obligated to impose, collect and convey to the appropriate entity, as described above, the revenue from the ARI Mill Levy described in this Section VI at such time as the area within the Districts' boundaries is included within a different district organized under the Special District Act, or a General Improvement District organized under Section 31-25-601, et seq., C.R.S., or Business Improvement District organized under Section 31-25-1201, et seq., C.R.S., which other district has been organized to fund a part or all of the Regional Improvements.

The Districts shall have the authority to issue Debt for the Regional Improvements, in an amount not to exceed Two Hundred Million Dollars (\$200,000,000) pursuant to agreements as described in VI.A, B, or C above. Such limit is not subject to the Total Debt Issuance Limitation described in section VII below.

VII. FINANCIAL PLAN

A. General.

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from their revenues and by and through the proceeds of Debt to be issued by the Districts. The Financial Plan for the Districts shall be to issue such Debt as the Districts can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy, Fees and other legally available revenues. The total Debt that the Districts shall be permitted to issue shall not exceed Two Hundred Million Dollars (\$200,000,000) and shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above and shall be phased to serve development as it occurs. All bonds and other Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes and Fees to be imposed upon all Taxable Property within the Districts. The Districts will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time.

B. Total Debt Issuance Limitation.

The total Debt that the District shall be permitted to issue shall not exceed Two Hundred Million Dollars (\$200,000,000) (exclusive of Debt issued for Regional Improvements described in Section VI above) and shall be permitted to be issued on a schedule and in such year or years as the District determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs.

C. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

D. Maximum Debt Mill Levy.

The "Maximum Debt Mill Levy" shall be the maximum mill levy a District is permitted to impose upon the taxable property within such District for payment of Debt, and shall be determined as follows:

1. For the portion of any aggregate Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 below; subject to the Gallagher Adjustment.

2. For the portion of any aggregate Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the

Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

3. For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 above, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, such District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in such District's Debt to assessed ratio. All Debt issued by the Districts must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the Districts are composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

The Maximum Debt Mill Levy shall not apply to the District's Operations and Maintenance Mill Levy for the provision of operation and maintenance services to the District's taxpayers and service users as set for in Section VII.K below.

E. Maximum Debt Mill Levy Imposition Term.

The Districts shall have the authority to impose the ARI Mill Levy for the terms as set forth in Section VI. Other than the ARI Mill Levy, the Districts shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property in a Residential District which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of Directors of the District imposing the mill levy are residents of such District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S.; et seq.

F. Excessive Mill Levy Pledges

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Service Plan Amendment.

G. Debt Repayment Sources.

Each of the Districts may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance. The Districts may also rely upon various other revenue sources authorized by law. At the Districts' discretion, these may include the power to assess Fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(l), C.R.S., as amended from time to time. In no event shall the debt service mill levy in any District exceed the Maximum Debt Mill Levy or, for

residential property within a District, the Maximum Debt Mill Levy Imposition Term, except pursuant to an intergovernmental agreement between the Operating District and the City for Regional Improvements.

H. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the Districts.

I. Security for Debt.

The Districts shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the City of payment of any of the Districts' obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the City in the event of default by the Districts in the payment of any such obligation.

J. TABOR Compliance.

The Districts will comply with the provisions of TABOR. In the discretion of the Board, the Districts may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the Districts will remain under the control of the Districts' Boards.

K. Districts' Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the districts' organization and initial operations, are anticipated to be Two Hundred Fifty Thousand Dollars (\$250,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the Districts will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget is estimated to be One Hundred Thousand Dollars (\$100,000) which is anticipated to be derived from property taxes and other revenues.

For a Residential District, upon such District's imposition of a mill levy for repayment of Debt, the Operations and Maintenance Mill Levy shall not exceed thirty-five (35) mills, subject to the Gallagher Adjustment, unless a majority of the Board of Directors are residents of the District and have voted in favor of increasing the Operations and Maintenance Mill Levy.

L. Agreed Upon Procedures Examination.

For a Residential District, at such time that a majority of Board of Directors of the District are residents of the District, the District shall have engaged the services of a certified public accountant for an Agreed Upon Procedures Engagement. The Board of Directors, in its discretion, will set the scope and the procedures for the engagement.

VIII. ANNUAL REPORT

A. General.

Each of the Districts shall be responsible for submitting an annual report to the Manager of the Office of Development Assistance of the City Manager's Office no later than August 1st of each year following the year in which the Order and Decree creating the District has been issued.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.
3. Copies of the Districts' rules and regulations, if any as of December 31 of the prior year.
4. A summary of any litigation which involves the Districts Public Improvements as of December 31 of the prior year.
5. Status of the Districts' construction of the Public Improvements as of December 31 of the prior year.
6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31 of the prior year.
7. The assessed valuation of the Districts for the current year.
8. Current year budget including a description of the Public Improvements to be constructed in such year.

9. Audit of the Districts financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the Districts to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

IX. DISSOLUTION

Upon an independent determination of the City Council that the purposes for which the Districts were created have been accomplished, the Districts agree to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the Districts have provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

X. DISCLOSURES AND MEETINGS

A. Disclosure to Purchasers.

The Districts will use reasonable efforts to assure that all developers of the property located within the Districts provide written notice to all purchasers of property in the Districts regarding the Maximum Debt Mill Levy, as well as a general description of the Districts' authority to impose and collect rates, Fees, tolls and charges. The notice shall conform with the City's standard model disclosure attached hereto as Exhibit E as may be amended from time to time. The City shall be provided a copy of the notice prior to the initial issuance of Debt of the District imposing the mill levy which is the subject of the Maximum Debt Mill Levy.

B. Website.

Prior to the initial issuance of Debt, the District shall create and maintain a website for access by the general public containing, at a minimum, the following information:

1. Contact information for principal business office
2. Names and positions of board members
3. Board member terms
4. Board meeting agendas and minutes
5. All annual reports
6. Annual financial statements prepared by the Board

7. Audit reports of annual financial statements
8. Adopted budgets and budget amendments
9. Postings for public meetings
10. Any and all election filings for candidates to the Board of Directors that are provided to the Secretary of State pursuant to 8 CCR 1505-6.

C. Meetings.

All special and regular District meetings shall be open to the public and shall be held at a location within the District boundaries or, if a suitable meeting facility is not within the District boundaries, then within the City. If, due to matters of public health or safety an in-person meeting is impracticable, the meetings may be held virtually with participation via teleconference, webcast, video conference or other technological means. The District shall provide annual notice to all eligible electors of the District, in accordance with Section 32- 1-809, C.R.S. In addition, the District shall record a District public disclosure document and a map of the District boundaries with the Clerk and Recorder of each County in which District property is located, in accordance with Section 32-1-104.8, C.R.S. The District shall use reasonable efforts to ensure that copies of the annual notice, public disclosure document and map of the District boundaries are provided to potential purchasers of real property within the District as part of the seller's required property disclosures.

XI. INTERGOVERNMENTAL AGREEMENT

The form of the intergovernmental agreement required by the City Code, relating to the limitations imposed on the Districts' activities, is attached hereto as **Exhibit D**. The Districts shall approve the intergovernmental agreement in the form attached as **Exhibit D** at their first Board meeting after their organizational elections. Failure of the Districts to execute the intergovernmental agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The City Council shall approve the intergovernmental agreement in the form attached as **Exhibit D** at the public hearing approving the Service Plan.

XII. CONCLUSION

It is submitted that this Service Plan for the Districts, as required by Section 32-1-203(2), C.R.S., and Section 122-35 of the City Code, establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the Districts;
2. The existing service in the area to be served by the Districts is inadequate for present and projected needs;
3. The Districts are capable of providing economical and sufficient service to the area within its proposed boundaries; and

4. The area to be included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

5. Adequate service is not, and will not be, available to the area through the City or county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.


6. The facility and service standards of the Districts are compatible with the facility and service standards of the City within which the special districts are to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.

7. The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the City Code.

8. The proposal is in compliance with any duly adopted City, regional or state long-range water quality management plan for the area.

9. The creation of the Districts is in the best interests of the area proposed to be served.

Respectfully submitted this 8th day of June 2020.

By: 

Blair M. Dickhoner, Esq.

Attorneys for the Proponents of the Districts

EXHIBIT A
Legal Descriptions

5/28/2020 2:56 PM Dwg Name: P:\SIIAUco01\dwg\Surv\Exhibits\Surv\Manhattan\District\Parcel#1.dwg Updated By: TSavich

EXHIBIT A

KING RANCH
METROPOLITAN DISTRICT NO. 1
LGID NO. _____

PROPERTY DESCRIPTION

A PART OF SECTION 16 AND SECTION 21, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR NORTH 00°11'38" WEST, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 70°15'32" WEST, A DISTANCE OF 2211.45 FEET THROUGH SAID SECTION 16 TO THE POINT OF BEGINNING;

THENCE CONTINUING THROUGH SAID SECTION 16 AND SAID SECTION 21 THE FOLLOWING TWELVE (12) COURSES:

1. SOUTH 15°08'20" EAST, CROSSING INTO SAID SECTION 21, A DISTANCE OF 1438.74 FEET TO A POINT OF CURVATURE;
2. ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 25°00'00", A RADIUS OF 1030.00 FEET, AN ARC LENGTH OF 449.42 FEET, THE CHORD OF WHICH BEARS SOUTH 02°38'21" EAST, A DISTANCE OF 445.86 FEET;
3. SOUTH 09°51'39" WEST, A DISTANCE OF 558.31 FEET;
4. NORTH 80°08'20" WEST, A DISTANCE OF 60.00 FEET;
5. SOUTH 09°51'40" WEST, A DISTANCE OF 550.00 FEET;
6. NORTH 80°08'20" WEST, A DISTANCE OF 1448.37 FEET;
7. NORTH 09°51'38" EAST, A DISTANCE OF 600.00 FEET;
8. SOUTH 80°08'20" EAST, A DISTANCE OF 1448.38 FEET;
9. NORTH 09°51'40" EAST, A DISTANCE OF 508.31 FEET TO A POINT OF CURVATURE;
10. ALONG THE ARC OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 25°00'00", A RADIUS OF 970.00 FEET, AN ARC LENGTH OF 423.24 FEET, THE CHORD OF WHICH BEARS NORTH 02°38'20" WEST, A DISTANCE OF 419.89 FEET;

(PROPERTY DESCRIPTION CONTINUED ON SHEET 2)



7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
Civil Engineering | Surveying & Geospatial Services | GIS
Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICT NO. 1

COUNTY OF ADAMS, COLORADO

EXHIBIT A

PROJ. MGR.: BJP
 DRAWN BY: ALA
 DATE: 5/28/2020
 SCALE: N/A

SHEET
1 OF **3**
 SII.AUCO01.00

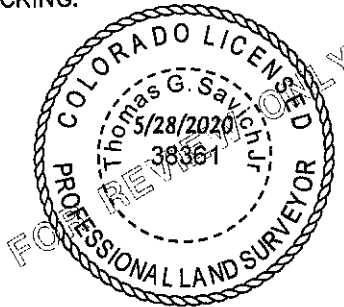
5/28/2020 2:56 PM Dwg Name: P:\Sificu001\dwg\Surv\Final Drawings\Exhibits\Surv\Metropolitan District Maps\SI\AU001.00-DistrictParcel#.dwg Updated By: TSavich

EXHIBIT A

PROPERTY DESCRIPTION (CONTINUED...)

- 11. NORTH 15°08'20" WEST, CROSSING BACK INTO SAID SECTION 16, A DISTANCE OF 1454.81 FEET;
 - 12. NORTH 89°51'40" EAST, A DISTANCE OF 62.11 FEET TO THE POINT OF BEGINNING;
- CONTAINING A CALCULATED AREA OF 1,015,505 SQUARE FEET OR 23.3128 ACRES, MORE OR LESS.

I, THOMAS G. SAVICH JR. A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.



THOMAS G. SAVICH JR., P.L.S. 38361
FOR AND ON BEHALF OF MANHARD CONSULTING



7630 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
Civil Engineering | Surveying & Geospatial Services | GIS
Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICT NO. 1

COUNTY OF ADAMS, COLORADO

EXHIBIT A

PROJ. MGR.: BJP
DRAWN BY: ALA
DATE: 5/28/2020
SCALE: N/A

SHEET
2 OF **3**
SI.AUC001.00

5/28/2020 3:02 PM Dwg Name: P:\Silauc01\dwg\Surv\Final Drawings\Exhibits_Surv\Metropolitan_District_Maps\SIIAUC001.00-DistrictParcel#2-5.dwg Updated By: TSavich

EXHIBIT A

KING RANCH
METROPOLITAN DISTRICTS NO. 2-5
LGID NO. _____

PROPERTY DESCRIPTION

A PART OF SECTION 16 AND SECTION 21, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR NORTH 00°11'38" WEST, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 70°15'32" WEST, A DISTANCE OF 2211.45 FEET THROUGH SAID SECTION 16 TO THE POINT OF BEGINNING;

THENCE CONTINUING THROUGH SAID SECTION 16 AND SAID SECTION 21 THE FOLLOWING ELEVEN (11) COURSES:

1. SOUTH 15°08'20" EAST, CROSSING INTO SAID SECTION 21, A DISTANCE OF 1438.74 FEET TO A POINT OF CURVATURE;
2. ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 25°00'00", A RADIUS OF 1030.00 FEET, AN ARC LENGTH OF 449.42 FEET, THE CHORD OF WHICH BEARS SOUTH 02°38'21" EAST, A DISTANCE OF 445.86 FEET;
3. SOUTH 09°51'39" WEST, A DISTANCE OF 558.31 FEET;
4. NORTH 80°08'20" WEST, A DISTANCE OF 60.00 FEET;
5. SOUTH 09°51'40" WEST, A DISTANCE OF 550.00 FEET;
6. NORTH 80°08'20" WEST, A DISTANCE OF 1448.37 FEET;
7. NORTH 09°51'38" EAST, A DISTANCE OF 600.00 FEET;
8. SOUTH 80°08'20" EAST, A DISTANCE OF 1448.38 FEET;
9. NORTH 09°51'40" EAST, A DISTANCE OF 508.31 FEET TO A POINT OF CURVATURE;
10. ALONG THE ARC OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 25°00'00", A RADIUS OF 970.00 FEET, AN ARC LENGTH OF 423.24 FEET, THE CHORD OF WHICH BEARS NORTH 02°38'20" WEST, A DISTANCE OF 419.89 FEET;
11. THENCE NORTH 15°08'20" WEST, CROSSING BACK INTO SAID SECTION 16, A DISTANCE OF 1454.81 FEET;

(PROPERTY DESCRIPTION CONTINUED ON SHEET 2)



7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
Civil Engineering | Surveying & Geospatial Services | GIS
Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICTS NO. 2 - 5

COUNTY OF ADAMS, COLORADO

EXHIBIT A

PROJ. MGR.:	BJP
DRAWN BY:	ALA
DATE:	5/28/2020
SCALE:	N/A

SHEET	
1	OF 5
SII.AUC001.00	

5/28/2020 3:02 PM Dwg. Name: P:\SiiAUco01\dwg\Surv\Final Drawings\Exhibits_Surv\Metropolitan_District_Maps\SIIAUco01.00-DistrictParcel#2-5.dwg Updated By: TSavich

EXHIBIT A

KING RANCH
METROPOLITAN DISTRICTS NO. 2-5
LGID NO. _____

PROPERTY DESCRIPTION (CONTINUED...)

THENCE SOUTH 89°51'40" WEST, BEING PARALLEL WITH AND 752.01 NORTHERLY OF THE SOUTHERLY LINE OF SAID SECTION 16, A DISTANCE OF 2943.57 FEET;

THENCE PARALLEL WITH AND 210.00 FEET EASTERLY OF THE WESTERLY LINES OF SAID SECTION 16 THE FOLLOWING TWO (2) COURSES:

1. NORTH 00°03'57" EAST, A DISTANCE OF 1899.09 FEET;
2. NORTH 00°03'51" EAST, A DISTANCE OF 226.32 FEET;

THENCE SOUTH 89°56'09" EAST, A DISTANCE OF 525.00 FEET;

THENCE NORTH 00°03'51" EAST, A DISTANCE OF 550.31 FEET;

THENCE NORTH 89°56'09" WEST, A DISTANCE OF 525.00 FEET;

THENCE NORTH 00°03'51" EAST, BEING PARALLEL WITH AND 210.00 FEET EASTERLY OF THE WESTERLY LINE OF THE NORTH HALF OF SAID SECTION 16, A DISTANCE OF 1775.85 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF EAST 56TH AVENUE;

THENCE ALONG SAID RIGHT-OF-WAY LINE, THE FOLLOWING TWO (2) COURSES;

1. NORTH 89°56'59" EAST, A DISTANCE OF 2429.41 FEET;
2. NORTH 89°57'04" EAST, A DISTANCE OF 2564.20 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF MONAGHAN ROAD;

THENCE ALONG SAID RIGHT-OF-WAY LINE, THE FOLLOWING TWO (2) COURSES;

1. SOUTH 00°06'09" EAST, A DISTANCE OF 2547.63 FEET;
2. SOUTH 00°11'38" EAST, A DISTANCE OF 1896.12 FEET;

THENCE SOUTH 89°51'40" WEST, BEING PARALLEL WITH AND 752.01 NORTHERLY OF THE SOUTHERLY LINE OF SAID SECTION 16, A DISTANCE OF 2003.94 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PART THEREOF DESCRIBED IN DEED TO THE FEDERAL AVIATION ADMINISTRATION RECORDED ON DECEMBER 08, 1993 IN BOOK 4211 AT PAGE 198, COUNTY OF ADAMS, STATE OF COLORADO.

(PROPERTY DESCRIPTION CONTINUED ON SHEET 3)



7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
Civil Engineering | Surveying & Geospatial Services | GIS
Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICTS NO. 2 - 5

COUNTY OF ADAMS, COLORADO

EXHIBIT A

PROJ. MGR.: BJP
 DRAWN BY: ALA
 DATE: 5/28/2020
 SCALE: N/A

SHEET
2 OF **5**
 SII.AUCO01.00

5/28/2020 3:02 PM Dwg Name: P:\SIIAU001\dwg\Surv\Metropolitan District Maps\SIUUC001.00-DistrictParcel#2-5.dwg Updated By: TSavich

EXHIBIT A

KING RANCH
METROPOLITAN DISTRICTS NO. 2-5
LGID NO. _____

PROPERTY DESCRIPTION (CONTINUED...)

CONTAINING A CALCULATED AREA OF 22,966,958 SQUARE FEET OR 527.2488 ACRES, MORE OR LESS.

I, THOMAS G. SAVICH JR. A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.



THOMAS G. SAVICH JR., P.L.S. 38361
FOR AND ON BEHALF OF MANHARD CONSULTING



7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
Civil Engineering | Surveying & Geospatial Services | GIS
Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICTS NO. 2 - 5

COUNTY OF ADAMS, COLORADO

EXHIBIT A

PROJ. MGR.: BJP
DRAWN BY: ALA
DATE: 5/28/2020
SCALE: N/A

SHEET
3 OF **5**
SII.AUC001.00

5/28/2020 2:20 PM Dwg Name: P:\Sifauc01\dwg\Surv\Final Drawings\Exhibits_Surv\Metropolitan_District Maps\SIIAUC001.00-InclusionParcel.dwg Updated By: AAquilar

EXHIBIT A

KING RANCH
METROPOLITAN DISTRICT
LGID NO. _____

PROPERTY DESCRIPTION

A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER AND IN THE SOUTH HALF OF SECTION 15, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 15 AND CONSIDERING THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15 TO BEAR NORTH 00°11'38" WEST, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 89°32'59" EAST, ALONG THE SOUTHERLY LINE OF SAID SECTION 15, A DISTANCE OF 30.00 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF MONAGHAN ROAD AND TO THE POINT OF BEGINNING;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE, BEING PARALLEL WITH AND 30.00 FEET EASTERLY OF THE WESTERLY LINES OF SAID SECTION 15 THE FOLLOWING TWO (2) COURSES:

1. NORTH 00°11'38" WEST, A DISTANCE OF 2647.98 FEET;
2. NORTH 00°06'09" WEST, A DISTANCE OF 2575.70 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF EAST 56TH AVENUE;

THENCE NORTH 89°27'35" EAST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, BEING PARALLEL WITH AND 72.00 SOUTHERLY OF THE NORTHERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 15, A DISTANCE OF 2624.29 FEET TO THE EASTERLY LINE OF SAID NORTHWEST QUARTER;

THENCE SOUTH 00°11'13" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 2577.65 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER;

THENCE NORTH 89°30'24" EAST, ALONG THE NORTHERLY LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 15, A DISTANCE OF 2655.58 FEET TO THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER;

THENCE SOUTH 00°14'01" EAST, ALONG THE EASTERLY LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 2652.13 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 15;

THENCE SOUTH 89°32'59" WEST, ALONG THE SOUTHERLY LINE OF SAID SECTION 15, A DISTANCE OF 5285.46 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PART THEREOF DESCRIBED IN DEED TO THE FEDERAL AVIATION ADMINISTRATION RECORDED ON JUNE 23, 1993 IN BOOK 4906 AT PAGE 326, COUNTY OF ADAMS, STATE OF COLORADO.

CONTAINING A CALCULATED AREA OF 20,771,100 SQUARE FEET OR 476.8388 ACRES, MORE OR LESS.

I, THOMAS G. SAVICH JR. A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

THOMAS G. SAVICH JR., P.L.S. 38361
FOR AND ON BEHALF OF MANHARD CONSULTING



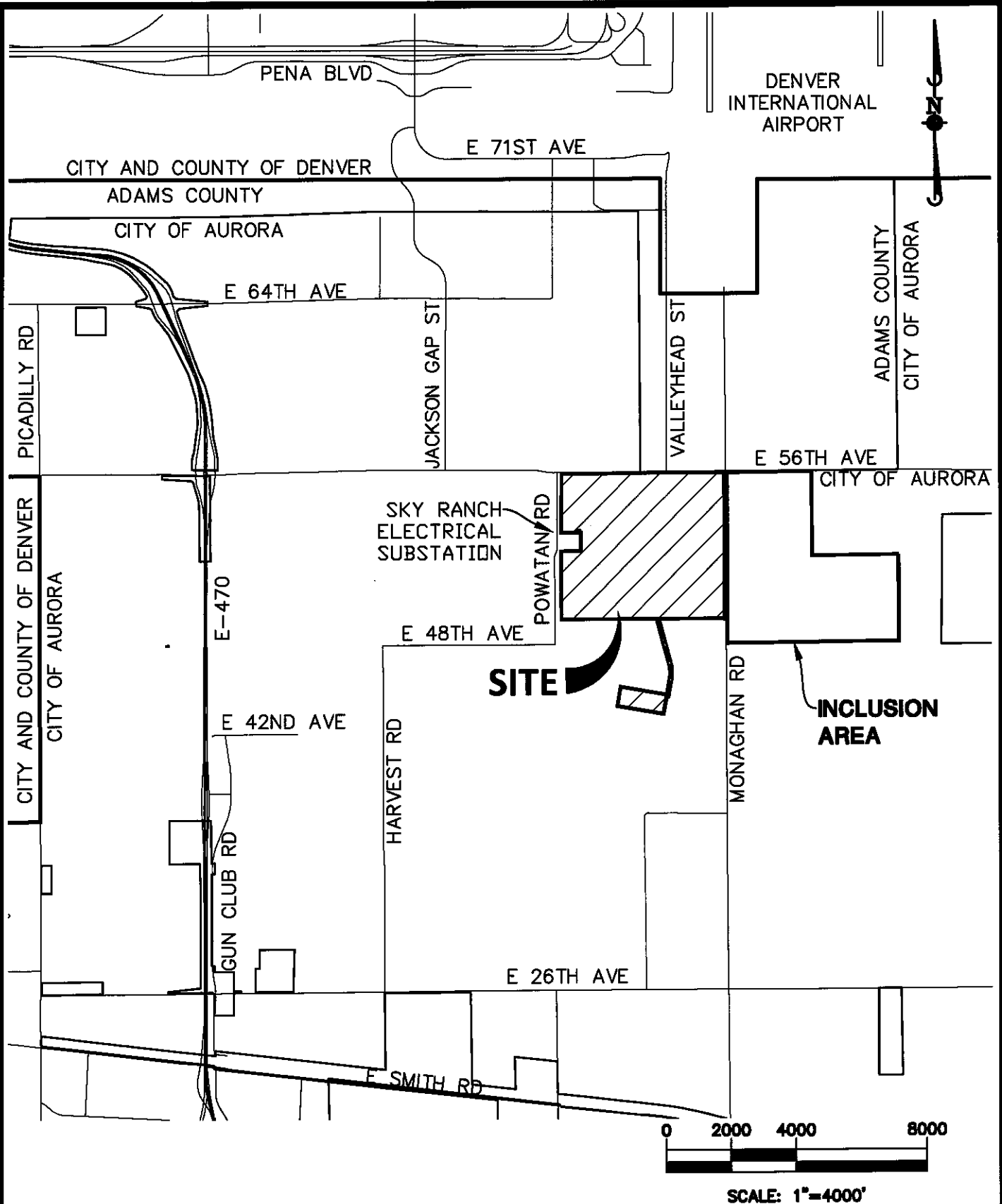
Manhard
CONSULTING

7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
Civil Engineering | Surveying & Geospatial Services | GIS
Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICT INCLUSION PARCEL	
COUNTY OF ADAMS, COLORADO	
EXHIBIT A	
PROJ. MGR.: <u>BJP</u>	SHEET
DRAWN BY: <u>TGS</u>	1 OF 2
DATE: <u>5/28/2020</u>	SII.AUC001.00
SCALE: <u>N/A</u>	

EXHIBIT B

Aurora Vicinity Map



07:50 Dwg Name: P:\SIIAUCO01\dwg\Eng\Final Drawings\Exhibits Eng\Vicinity Map.dwg Updated By: J.Rentz

7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
 Civil Engineering | Surveying & Geospatial Services | GIS
 Water Resource Management | Construction Management

KING RANCH METRO DISTRICT	
AURORA, CO	
VICINITY MAP	
PROJ. MGR.: <u>DJR</u>	SHEET
DRAWN BY: <u>JAR</u>	1 OF 1
DATE: <u>5/26/2020</u>	SIIAUCO01
SCALE: <u>1"=4000'</u>	

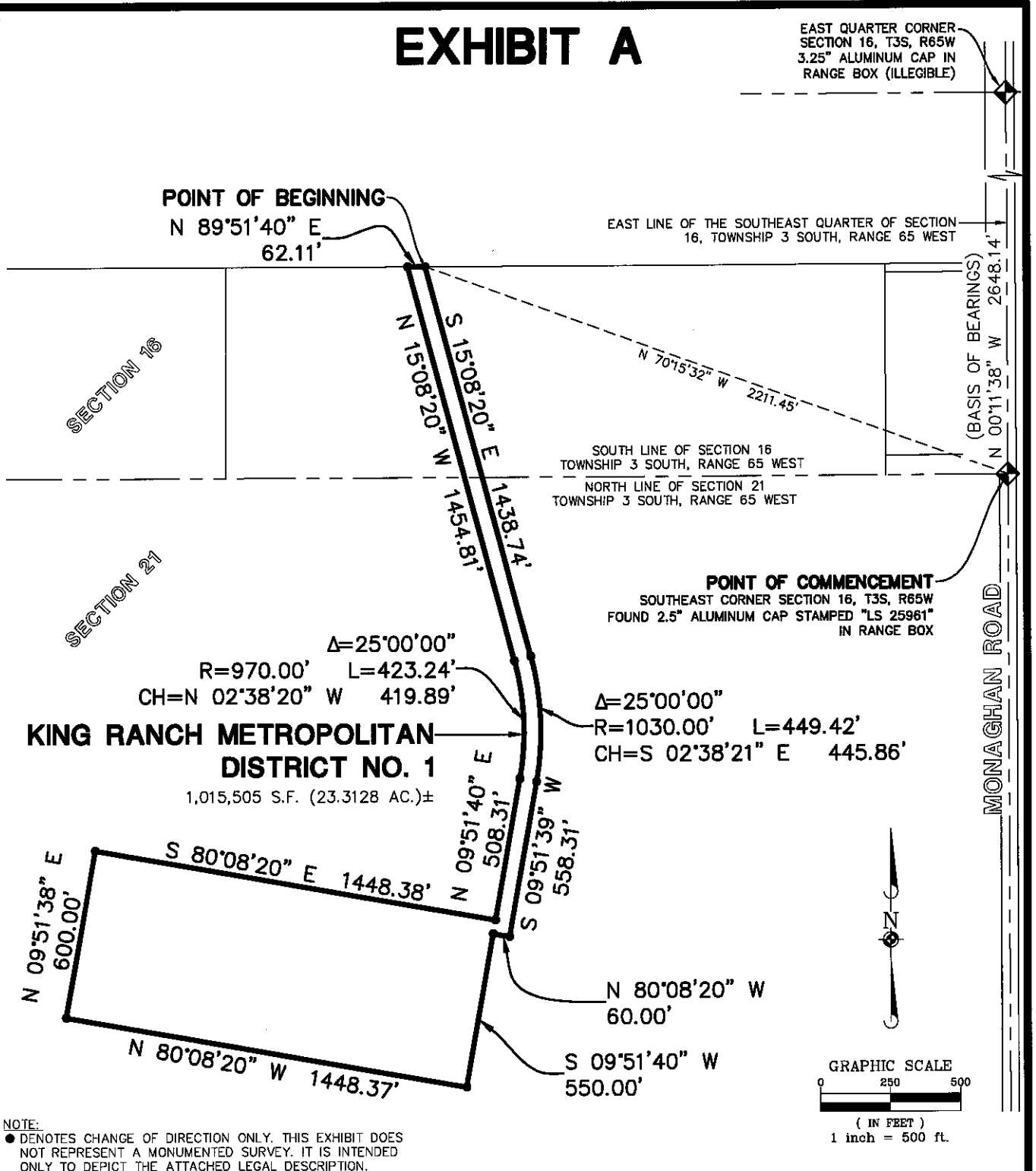
EXHIBIT C-1

Initial Districts Boundary Maps

Dwg. Name: P:\Siiouco01\dwg\Surv\Final Drawings\Exhibits_Surv\Metropolitan District Maps\SIIAUC001.00--DistrictParcel#1.dwg Updated By: TSavich
 5/28/2020 2:56 PM

EXHIBIT A

EAST QUARTER CORNER
SECTION 16, T3S, R65W
3.25" ALUMINUM CAP IN
RANGE BOX (ILLEGIBLE)



Manhard CONSULTING

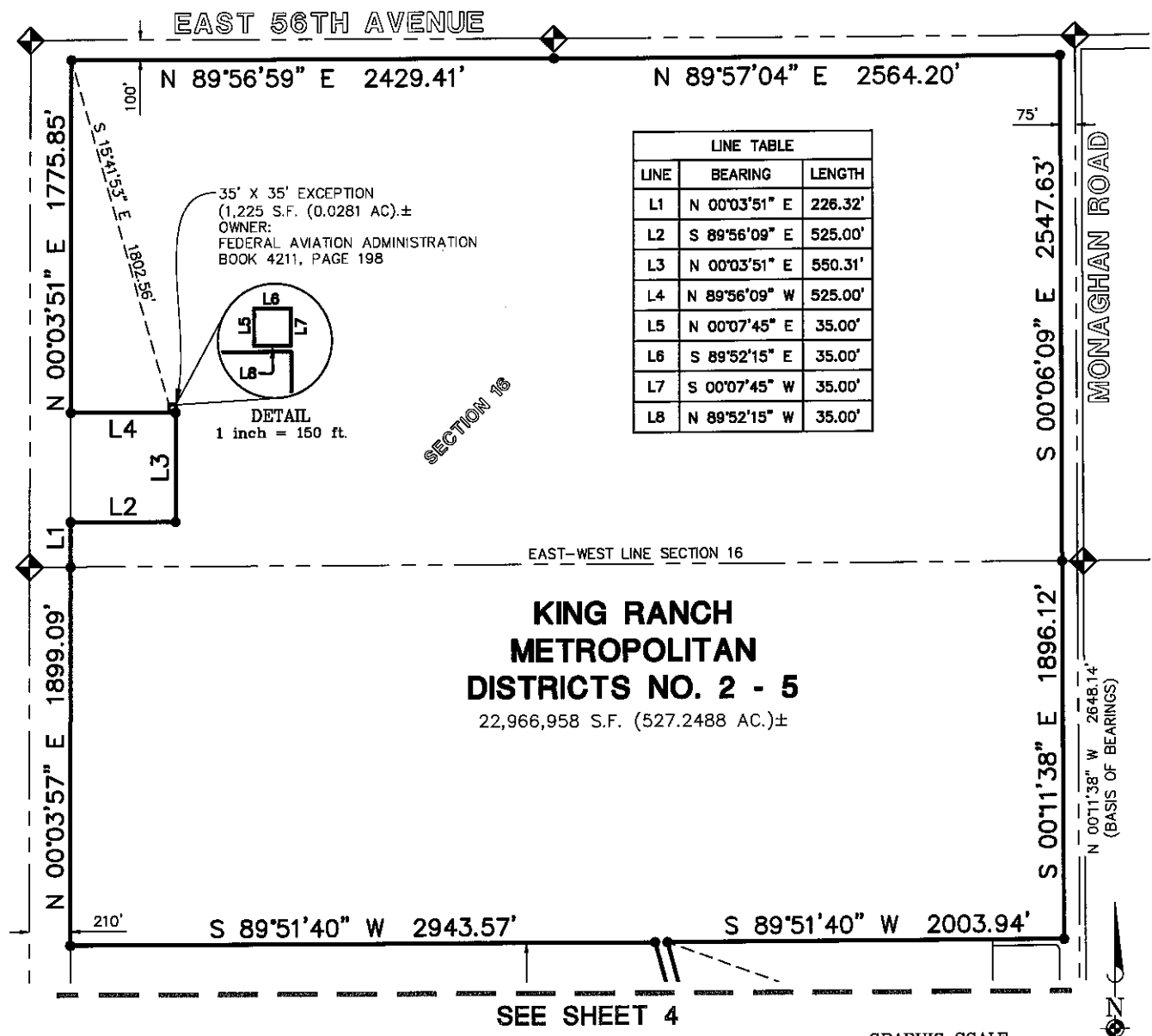
7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
 Civil Engineering | Surveying & Geospatial Services | GIS
 Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICT NO. 1	
COUNTY OF ADAMS, COLORADO	
EXHIBIT A	
PROJ. MGR.: BJP	SHEET
DRAWN BY: ALA	3 OF 3
DATE: 5/28/2020	SII.AUC001.00
SCALE: 1"=500'	

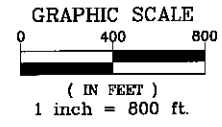
Dwg Name: P:\SIIAU001\dwg\Surv\Final Drawings\Exhibits\Surv\Metropolitan District Maps\SIIAU001.00--DistrictParcel#2--5.dwg Updated By: TSavich
 5/28/2020 3:02 PM

EXHIBIT A

KING RANCH
 METROPOLITAN DISTRICTS NO. 2-5
 LGID NO. _____



NOTE:
 ● DENOTES CHANGE OF DIRECTION ONLY. THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED LEGAL DESCRIPTION.



Manhard

CONSULTING

7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
 Civil Engineering | Surveying & Geospatial Services | GIS
 Water Resource Management | Construction Management

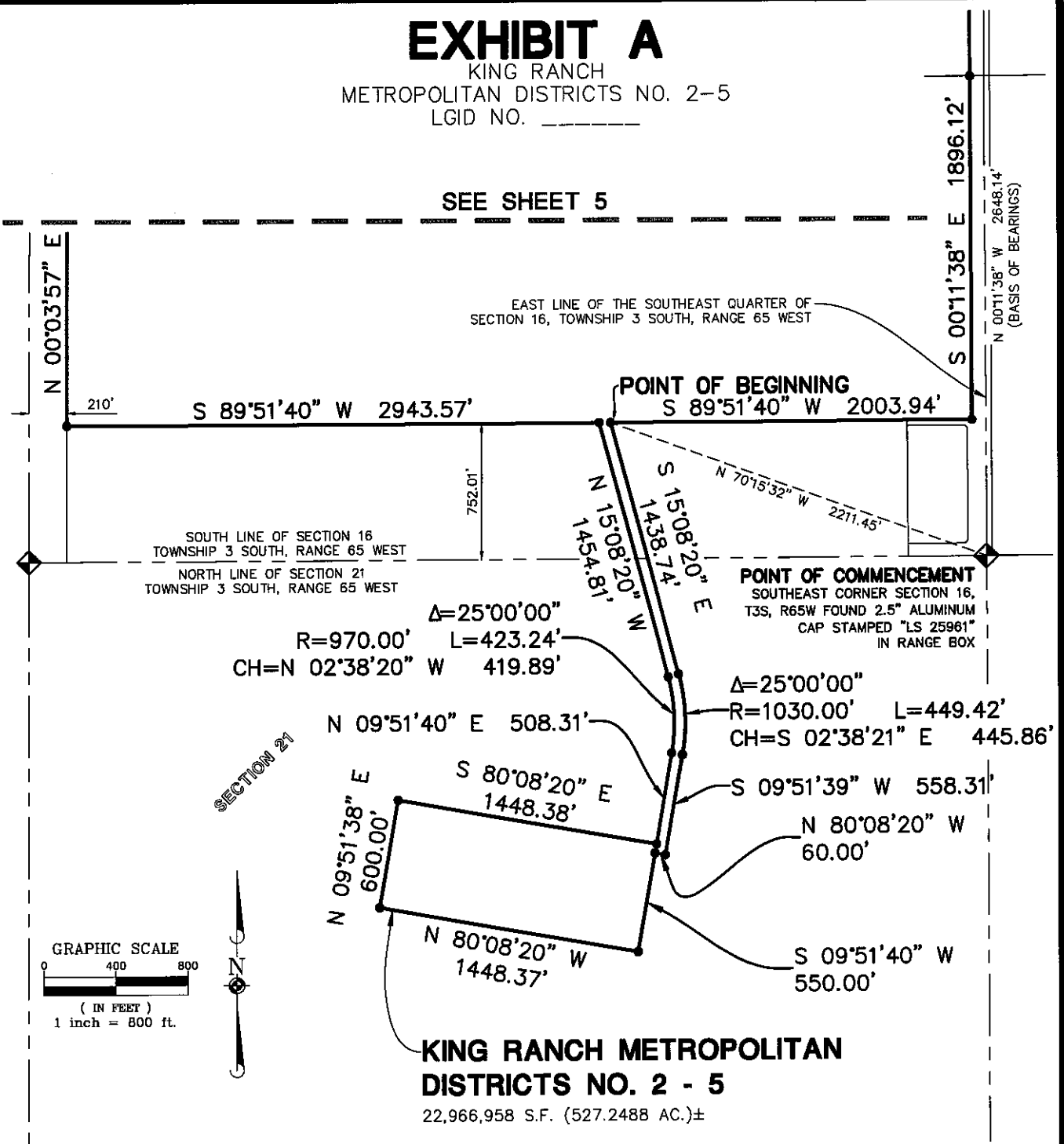
KING RANCH METROPOLITAN DISTRICTS NO. 2 - 5	
COUNTY OF ADAMS, COLORADO	
EXHIBIT A	
PROJ. MGR.: <u>BJP</u> DRAWN BY: <u>ALA</u> DATE: <u>5/28/2020</u> SCALE: <u>1"=800'</u>	SHEET 4 OF 5 SII.AUC001.00

Dwg Name: P:\SIIAU001.dwg \Surv\Find Drawings\Exhibits_Surv\Metropolitan_District_Maps\SIIAU001.00-DistrictParcel#2-5.dwg Updated By: Tsvavich
 5/28/2020 3:02 PM

EXHIBIT A

KING RANCH
 METROPOLITAN DISTRICTS NO. 2-5
 LGID NO. _____

SEE SHEET 5



NOTE:
 ● DENOTES CHANGE OF DIRECTION ONLY. THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED LEGAL DESCRIPTION.

Manhard CONSULTING

7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
 Civil Engineering | Surveying & Geospatial Services | GIS
 Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICTS NO. 2 - 5	
COUNTY OF ADAMS, COLORADO	
EXHIBIT A	
PROJ. MGR.: <u>BJP</u>	SHEET
DRAWN BY: <u>ALA</u>	5 OF 5
DATE: <u>5/28/2020</u>	SII.AUC01.00
SCALE: <u>1"=800'</u>	

EXHIBIT C-2

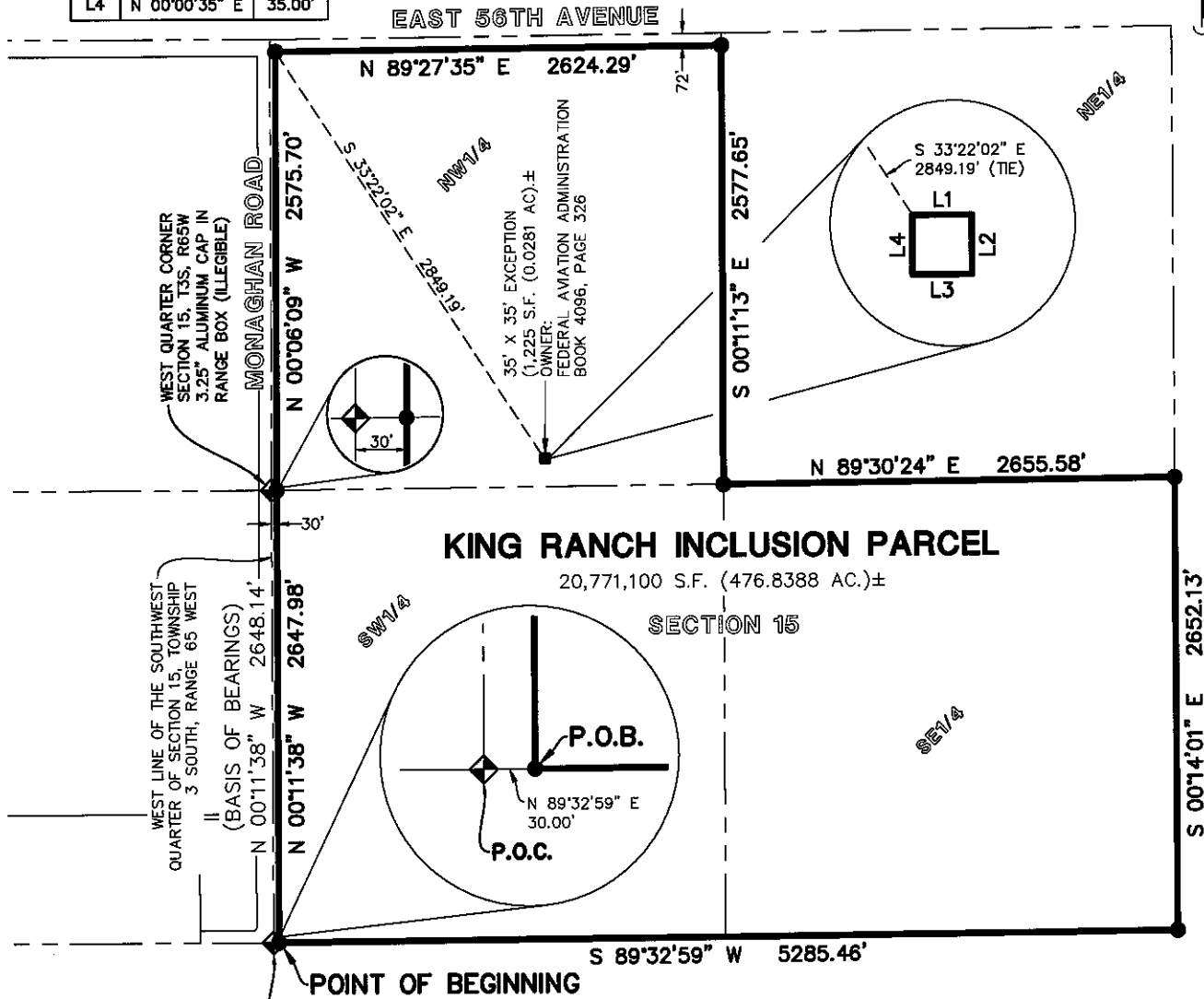
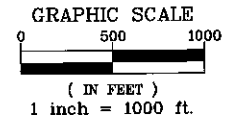
Inclusion Area Boundary Map

5/28/2020 2:20 PM Dwg Name: P:\SIIAU001\dwg\Surv\Final Drawings\Exhibits_Surv\Metropolitan District Maps\SIIAU001.00-InclusionParcel.dwg Updated By: AAguilar

EXHIBIT A

KING RANCH
METROPOLITAN DISTRICT
LGID NO. _____

LINE TABLE		
LINE	BEARING	LENGTH
L1	S 89°59'25" E	35.00'
L2	S 00°00'35" W	35.00'
L3	N 89°59'25" W	35.00'
L4	N 00°00'35" E	35.00'



ALL 3 DETAILS
 1 inch = 100 ft.

NOTE:
 ● DENOTES CHANGE OF DIRECTION ONLY. THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED LEGAL DESCRIPTION.

Manhard

CONSULTING

7600 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 ph:303.708.0500 manhard.com
 Civil Engineering | Surveying & Geospatial Services | GIS
 Water Resource Management | Construction Management

KING RANCH METROPOLITAN DISTRICT INCLUSION PARCEL	
COUNTY OF ADAMS, COLORADO	
EXHIBIT A	
PROJ. MGR.: <u>BjP</u> DRAWN BY: <u>TGS</u> DATE: <u>5/28/2020</u> SCALE: <u>1" = 1000'</u>	SHEET 2 OF 2 SII.AUC001.00

EXHIBIT D

Disclosure to Purchasers

KING RANCH METROPOLITAN DISTRICT NOS. 1-5
DISCLOSURE TO PURCHASERS

This Disclosure to Purchasers has been prepared by King Ranch Metropolitan District Nos. 1-5 (collectively, the “District”) to provide prospective property owners with general information regarding the District and its operations. This Disclosure to Purchasers is intended to provide an overview of pertinent information related to the District and does not purport to be comprehensive or definitive. You are encouraged to independently confirm the accuracy and completeness of all statements contained herein.

DISTRICT’S ORGANIZATION / SERVICE PLAN

The Property within the DIA International Industrial Park development is located within the boundaries of the District. The District is a quasi-municipal corporation and political subdivision of the State of Colorado organized in the City of Aurora. The District operates pursuant to its Service Plan, as approved by the City Council of the City of Aurora (the “City”) on [] (the “Service Plan”) and by the powers authorized by Section 32-1-1004, of the Colorado Revised Statutes (the “C.R.S.”).

The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance certain water, sanitary sewer and storm sewer, street, and safety protection improvements and services as defined in the Service Plan.

The District’s Service Plan, which can be amended from time to time, includes a description of the District’s powers and authority. A copy of the District’s Service Plan is available from the Division of Local Government in the State Department of Local Affairs (the “Division”).

DISTRICT BOARD OF DIRECTORS

The District is governed by a five-member Board of Directors, who must be qualified as eligible electors of the District. The Board’s regular meeting dates may be obtained from the District Manager, []; (303) [] / District Counsel, []
[]; (303) [].

DEBT AUTHORIZATION

Pursuant to its Service Plan, the District has authority to issue up to Two Hundred Million Dollars (\$200,000,000) of debt to provide and pay for public infrastructure improvement costs.

Any debt issued by the District will be repaid through ad valorem property taxes, from a District imposed debt service mill levy on all taxable property of the District, together with any other legally available revenues of the District.

TAXES AND FEES IMPOSED ON PROPERTIES WITHIN THE DISTRICT

Ad Valorem Property Taxes

The District’s primary source of revenue is from property taxes imposed on property within the District. Along with other taxing entities, the District certifies a mill levy by December 15th of each year which determines the taxes paid by each property owner in the following year. The District imposed a total combined Mill Levy of [] mills for tax collection year 20[] (as described below). The total anticipated overlapping mill levy for the property within the District for tax collection year 20[] is [] mills (inclusive of the District’s Mill Levy), as described in the “Overlapping Mill Levy” section below.

Debt Service Mill Levy

The maximum debt service mill levy the District is permitted to impose under the Service Plan (“**Debt Mill Levy Cap**”) for the portion of any aggregate District’s Debt which exceeds fifty percent (50%) of the District’s assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt. The Debt Mill Levy Cap may be adjusted due to changes in the statutory or constitutional method of assessing property tax or in the assessment ratio. The purpose of such adjustment is to assure, to the extent possible, that the actual tax revenues generated by the mill levy are neither decreased nor increased, as shown in the example below.

Operations Mill Levy

In addition to imposing a debt service mill levy, the District is also authorized by the Service Plan to impose a separate mill levy to generate revenues for the provision of administrative, operations and maintenance services (the “**Operations and Maintenance Mill Levy**”). The amount of the Operations and Maintenance Mill Levy may be increased as necessary, separate and apart from the Debt Mill Levy Cap.

THE FOLLOWING EXAMPLE IS PROVIDED SOLELY FOR THE PURPOSE OF ILLUSTRATION AND IS NOT TO BE INTERPRETED AS A REPRESENTATION OF ANY ACTUAL CURRENT OR FUTURE VALUE INCLUDING, BUT NOT LIMITED TO, ANY ACTUAL VALUE, ASSESSMENT RATIO, OR MILL LEVY.

District Property Tax Calculation Example-Reduction in Residential Assessment Ratio

Tax Collection Year	Actual Value (V)	Assessment Ratio (R)	Assessed Value (AV) [V x R = AV]	Mill Levy ¹ /Rate ² (M)	Amount of District Tax Due [AV x M]
(a) 20[]	\$([])	7.96%	\$([])	[]/[]	\$([])

(b) 20[]	\$[]	7.20%	\$[]	[]/[]	\$[]
-----------	-------	-------	-------	---------	-------

¹ Based on a projected mill levy, not a representation of any actual current or future mill levy

² Each mill is equal to 1/1000th of a dollar

A. If in 20[] the Actual Value of the Property is \$[], and the Residential Assessment Ratio established by the State Legislature for that year is []%, the Assessed Value of the Property is \$[] (i.e., \$[] x []% = \$[]). If the District certifies a combined debt and operations mill levy of [] mills, it would generate approximately \$[] in revenue for the District.

B. If in 20[] the Actual Value of the Property remains at \$[], but if the State Legislature should determine to change the Residential Assessment Ratio for that year to []%, the Assessed Value would be \$[] (i.e., \$[] x []% = \$[]). Therefore, the District would need to certify a [] mill levy in order to generate the same revenue as in 20[].

Overlapping Mill Levies

In addition to the District's imposed mill levies for debt and operations as described above, the property located within the District is also subject to additional "overlapping" mill levies from additional taxing authorities. The overlapping mill levy for tax collection year 20[], for the property within the District, exclusive of the District's imposed mill levies was[]. Mill levies are certified in December of each year, and generally published by the County by the end of the first quarter. [Therefore, we are unable to provide more detailed information on the anticipated overlapping mill levy for 20[] at this time.] The breakdown of the estimated overlapping mill levies is as follows:

Taxing Authority	Levy
[] School Dist 5 (20[])	[]
[] County (20[])	[]
City of [] (20[])	[]
Developmental Disability (20[])	[]
Urban Drainage & Flood (20[])	[]
Urban Drainage & Flood (S Platte) (20[])	[]
TOTAL OVERLAPPING MILL LEVY (20[])	[]
[] Metropolitan District (20[])	[]
TOTAL WITH DISTRICT MILL LEVY	[]

Overlapping Mill Levy Property Tax Calculation Example

Tax Collection Year	Actual Value (V)	Assessment Ratio (R)	Assessed Value (AV) [V x R = AV]	Mill Levy ¹ /Rate ² (M)	Amount of Total Property Tax Due [AV x M]
(a) 20[]	\$[]	7.20%	\$[]	[]/[]	\$[]

¹ Based on a projected mill levy, not a representation of any actual current or future mill levy

² Each mill is equal to 1/1000th of a dollar

THE ABOVE EXAMPLE IS PROVIDED SOLELY FOR THE PURPOSE OF ILLUSTRATION AND IS NOT TO BE INTERPRETED AS A REPRESENTATION OF ANY ACTUAL CURRENT OR FUTURE VALUE INCLUDING, BUT NOT LIMITED TO, ANY ACTUAL VALUE, ASSESSMENT RATIO, OR MILL LEVY.

If in 20[____], all other overlapping entities maintain their 20[____] mill levies, the total mill levy with all overlapping entities for tax collection year 20[____] is anticipated to be [____] mills (inclusive of the District's [____] mill levy imposition). Note, as stated above, mill levies are certified in December of each year, therefore, we are unable to provide more detailed information regarding the 20[____] overlapping mill levies at this time.

Fees

In addition to property taxes, the District may also rely upon various other revenue sources authorized by law to offset the expenses of capital construction and district management, operations and maintenance. Pursuant to its Service Plan, the District has the power to assess fees, rates, tolls, penalties, or charges as provided in Title 32 of the Colorado Revised Statutes, as amended. [The District has adopted a Resolution imposing certain fees.] For a current fee schedule, please contact the District Manager at the contact information below.

DISTRICT BOUNDARIES

This Disclosure shall apply to the property within the boundaries of the District, which property is described on **Exhibit 1** and **Exhibit 2**, both attached hereto and incorporated herein by this reference.

CONTACT INFORMATION

Should you have any questions with regard to these matters, please contact:

White Bear Ankele Tanaka & Waldron
Attn: Blair M. Dickhoner, Esq.
2154 E. Commons Ave, Suite 2000
Centennial, CO 80122
Phone: (303) 858-1800

Dated this [____] day of [_____], 20[____].

EXHIBIT 1

Map of District Boundaries

EXHIBIT 2

Legal Description of District Boundaries

EXHIBIT E

Intergovernmental Agreement between the Districts and Aurora

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF AURORA, COLORADO,
KING RANCH METROPOLITAN DISTRICT NO. 1, KING RANCH METROPOLITAN
DISTRICT NO. 2, KING RANCH METROPOLITAN DISTRICT NO. 3, KING RANCH
METROPOLITAN DISTRICT NO. 4, AND KING RANCH METROPOLITAN
DISTRICT NO. 5

THIS AGREEMENT is made and entered into as of this ___ day of _____, 2020 by and between the CITY OF AURORA, a home-rule municipal corporation of the State of Colorado (“City”), and KING RANCH METROPOLITAN DISTRICT NO. 1, KING RANCH METROPOLITAN DISTRICT NO. 2, KING RANCH METROPOLITAN DISTRICT NO. 3, KING RANCH METROPOLITAN DISTRICT NO. 4, and KING RANCH METROPOLITAN DISTRICT NO. 5, quasi-municipal corporations and political subdivisions of the State of Colorado (the “Districts”). The City and the Districts are collectively referred to as the Parties.

RECITALS

WHEREAS, the Districts were organized to provide those services and to exercise powers as are more specifically set forth in the Districts’ Service Plans approved by the City on _____, 2020 (“Service Plans”); and

WHEREAS, the Service Plans make reference to the execution of an intergovernmental agreement between the City and the Districts, as required by the Aurora City Code; and

WHEREAS, the City and the Districts have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The Districts shall dedicate the Public Improvements (as defined in the Service Plan) to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The Districts shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity, including, but not limited to street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety

controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto.

Any Fee imposed by the District for access to such park and recreation improvements shall not result in Non-District City residents paying a user fee that is greater than, or otherwise disproportionate to, similar fees and taxes paid by residents of the District. However, the District shall be entitled to impose an administrative fee as necessary to cover additional expenses associated with Non-District City residents to ensure that such costs are not the responsibility of District residents. All such Fees shall be based upon the District's determination that such Fees do not exceed reasonable annual market fee for users of such facilities. Notwithstanding the foregoing, all parks and trails owned by the Districts shall be open to the general public and Non-District City residents, subject to the rules and regulations of the Districts as adopted from time to time. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the Districts.

2. Fire Protection. The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

3. Television Relay and Translation. The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City.

4. Golf Course Construction. The Districts shall not be authorized to plan, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain a golf course unless such activity is pursuant to an intergovernmental agreement with the City.

5. Construction Standards. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction and of those special districts that qualify as "interested parties" under Section 32-1-204(1), C.R.S., as applicable. The Districts will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

6. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Inclusion Limitation. The Districts shall not include within any of their boundaries any property outside the Service Area without the prior written consent of the City. The Districts shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the fee owner or owners of 100 percent of such property as provided in Section 32-1-401(1)(a), C.R.S.

8. Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts. Additionally, the Districts shall not consent to the organization of any other district organized under the Special District Act within the Service Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the Districts.

9. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Service Plan), the Districts shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

10. Total Debt Issuance. The Districts shall not issue Debt in excess of Two Hundred Million Dollars (\$200,000,000) in the aggregate; provided, however, that any Debt issued by the Districts for ARI Regional Improvements shall not be included within this limitation and shall be subject to the limitations set forth in Section VI of the Service Plan.

11. Fee Limitation. Each of the Districts may impose and collect Fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from Taxable Property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any Taxable Property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the Districts.

12. Debt Issuance Limitation. The Districts shall not be authorized to incur any indebtedness until such time as the Districts have: (a) approved and executed the IGA and approved the imposition of the Aurora Regional Improvement Mill Levy (as defined in the Service Plan) upon all taxable property located within the boundaries of the Districts; (b) created a website in accordance with Section X of the Service Plan

13. Monies from Other Governmental Sources. The Districts shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the Districts without any limitation.

14. Consolidation. The Districts shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City, unless such consolidation is between the Districts

15. Bankruptcy. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

16. Excessive Mill Levy Pledges

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Service Plan Amendment.

17. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

18. Disclosure to Purchasers. The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, Fees, tolls and charges. The notice shall conform with the City's standard model disclosure attached as Exhibit E to the Service Plan as may be amended from time to time. The City shall be provided a copy of the notice prior to the initial issuance of the Debt of the District imposing the mill levy which is the subject of the Maximum Debt Mill Levy.

19. Service Plan Amendment Requirement. Actions of the Districts which violate the limitations set forth in V.A.1-14 or VII.B-G of the Service Plans shall be deemed to be material modifications to the Service Plan and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts.

20. Multiple District Structure. It is anticipated that the Districts, collectively, will undertake the financing and construction of the Public Improvements. The nature of the functions and services to be provided by each District shall be clarified in an intergovernmental agreement between and among the Districts. Such intergovernmental agreement will be designed to help assure the orderly development of the Public Improvements and essential services in accordance with the requirements of the Service Plan. Implementation of such intergovernmental agreement is essential to the orderly implementation of the Service Plan. Accordingly, any determination of any Board to set aside said intergovernmental agreement without the consent of all of the Districts shall be a material modification of the Service Plan. Said intergovernmental agreement may be amended by mutual agreement of the Districts without the need to amend the Service Plan.

21. Annual Report. The Districts shall be responsible for submitting an annual report to the Manager of the Office of Development Assistance of the City Manager's Office no later than August 1st of each year following the year in which the Order and Decree creating the District has been issued, pursuant to the City Code and containing the information set forth in Section VIII of the Service Plan.

22. Regional Improvements. The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements incurred as a result of participation in the alternatives set forth in Section VI.A, B or C of the Service Plan.

The Taxing Districts shall impose the ARI Mill Levy and shall convey it as follows:

(a) If the Districts have executed an ARI Authority Establishment Agreement and the City has been offered the opportunity to execute an ARI Authority Establishment Agreement, the terms of which provide for the City to appoint no less than thirty percent (30%) and no more than forty-nine percent (49%) of the board members who will serve as the board of directors of the ARI Authority to be established by such ARI Authority Establishment Agreement, regardless as to whether the City approves the execution of such ARI Authority Establishment Agreement, the revenue from the ARI Mill Levy shall be conveyed to the ARI

Authority for the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements in the ARI Master Plan and for the operations of such ARI Authority; or

(b) If the City and the Districts have executed an intergovernmental agreement then the revenue from the ARI Mill Levy shall be conveyed to the City for use in planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users and taxpayers of the Districts in accordance with such agreement; or

(c) If neither Section VI.A nor VI.B of the Service Plan is applicable then the revenue shall be conveyed to the City and (i) the City shall place in a special account all revenues received from the ARI Mill Levy imposed in the Service Area under Section VI of the Service Plan and shall not expend such revenue until an intergovernmental agreement is executed between the Districts establishing the terms and conditions for the provision of the Regional Improvements; and (ii) if the intergovernmental agreement is not executed within two (2) years from the date of the approval of the Service Plan by the City and neither Section VI.A nor VI.B above have occurred within two (2) years from the date of the approval of the Service Plan by the City, then the revenue from the ARI Mill Levy shall be conveyed to the City for use by the City in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users or taxpayers of the Districts as prioritized and determined by the City.

As set forth in the definition of the ARI Mill Levy, any District may, pursuant to any intergovernmental agreement with the City, extend the terms for application of the ARI Mill Levy beyond the years set forth in Sections VI.A and VI.B of the Service Plan. The Maximum Mill Levy Imposition Term shall include the terms and any extension of such terms, as set forth in Sections VI. D, E, F, and G of the Service Plan.

The Maximum Debt Mill Levy shall not apply to the District's Operations and Maintenance Mill Levy for the provision of operation and maintenance services to the District's taxpayers and service users.

The Regional Improvements shall be limited to the provision of the planning, design, acquisition, construction, installation, relocation and/or redevelopment of street and transportation related improvements as defined in the Special District Act and the administration and overhead costs incurred as a result of participation in the alternative set forth in Sections VI.A, B, or C of the Service Plan, unless the City has agreed otherwise in writing; provided, however, in no event shall the Regional Improvements include water or sanitary sewer improvements unless such improvements are necessary as a part of completing street and transportation related improvements. The Districts shall cease to be obligated to impose, collect and convey to the appropriate entity, as described above, the revenue from the ARI Mill Levy described in Section VI of the Service Plan at such time as the area within the Districts' boundaries is included within a different district organized under the Special District Act, or a General Improvement District organized under Section 31-25-601, et seq., C.R.S., or Business Improvement District organized under Section 31-25-1201, et seq., C.R.S., which other district has been organized to fund a part or all of the Regional Improvements.

23. Maximum Debt Mill Levy. The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

(a) For the portion of any aggregate District’s Debt which exceeds fifty percent (50%) of the District’s assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 of the Service Plan, subject to the Gallagher Adjustment.

(b) For the portion of any aggregate District’s Debt which is equal to or less than fifty percent (50%) of the District’s assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

(c) For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 of the Service Plan, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District’s Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term “District” as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

24. Maximum Debt Mill Levy Imposition Term. The District shall have the authority to impose the ARI Mill Levy for the terms as set forth in Section VI of the Service Plan. Other than the ARI Mill Levy, the District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of Directors of the District are residents of the District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S.; et seq.

25. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the Districts: King Ranch Metropolitan District Nos. 1-5
2154 E. Commons Avenue, Suite 2000

Centennial, CO 80122

Attn: Blair M. Dickhoner, Esq.
Phone: (303) 858-1800
Fax: (303) 858-1801

To the City: City of Aurora
15151 E. Alameda Pkwy., 5th Floor
Aurora, CO 80012
Attn: Daniel L. Brotzman, City Attorney
Phone: (303) 739-7030
Fax: (303) 739-7042

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

26. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Service Plan.

27. Assignment. No Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of all other Parties, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

28. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Parties shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party/Parties in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

29. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

30. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

31. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

32. Parties Interested Herein. 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 Districts

and the City 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 Districts and the City shall be for the sole and exclusive benefit of the Districts and the City.

33. 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.

34. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

35. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

36. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

KING RANCH METROPOLITAN DISTRICT
NOS. 1-5

By: _____
President

Attest:

Secretary

CITY OF AURORA, COLORADO

By: _____
MIKE COFFMAN, Mayor

ATTEST:

STEPHEN J. RUGER, City Clerk

APPROVED AS TO FORM:

BRIAN J. RULLA, Assistant City Attorney