

RESOLUTION NO. 115-16

A RESOLUTION APPROVING AN AMENDMENT TO THE AMENDED AND RESTATED SERVICE PLAN FOR BANNING LEWIS RANCH METROPOLITAN DISTRICTS NOS. 1, 2, 3, 4, 5, and 7

WHEREAS, Section 32-1-207, C.R.S., provides that no special district may materially modify its service plan except upon petition to the governing body of the municipality within which the special district lies and adoption of resolution of approval by such governing body; and

WHEREAS, pursuant to the provisions of Title 32, Colorado Revised Statutes, and pursuant to proper notice having been provided as required by law, the City Council held a public hearing and approved an Amended and Restated Service Plan for Banning Lewis Ranch Metropolitan Districts Nos. 1, 2, 3, 4, 5, and 7 (the "2008 Service Plan") for the Banning Lewis Ranch Metropolitan District No. 2 (the "District") by Resolution No. 52-08 adopted on March 11, 2008; and

WHEREAS, on May 26, 2009, by Resolution 118-09, City Council amended the 2008 Service Plan (the 2008 Service Plan as amended by Resolution 118-09 is referred to herein as the "District Service Plan"); and

WHEREAS, the District has petitioned the City to approve an Amendment to the District Service Plan, attached as Exhibit 1, ("Amendment to the District Service Plan") to allow for the refinancing of existing debt with an unlimited debt service mill levy; and

WHEREAS, City Council has reviewed the Amendment to the District Service Plan, as well as the evidence presented at a public hearing held on November 8, 2016 to determine whether to approve the proposed Amendment to the District Service Plan.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:**

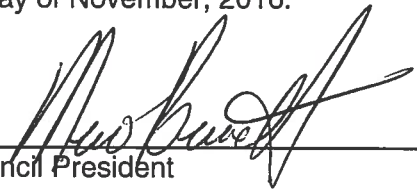
Section 1. The above and foregoing recitals are incorporated herein by reference and are adopted as findings and determinations of the City Council.

Section 2. City Council hereby finds that approval of the Amendment to the District Service Plan is in the best interest of the City and the District.


Section 3. The Amendment to the District Service Plan is hereby approved.


Section 4. With the exception of those modifications specifically addressed in the Amendment to the District Service Plan, the District Service Plan shall remain in full force and effect.

DATED at Colorado Springs, Colorado, this 8<sup>th</sup> day of November, 2016.

  
\_\_\_\_\_  
Council President

ATTEST:

  
\_\_\_\_\_  
Sarah B. Johnson, City Clerk



**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 2,  
IN THE CITY OF COLORADO SPRINGS, COLORADO**

**2016 SERVICE PLAN AMENDMENT**

1. Introduction

This 2016 Service Plan Amendment (“Amendment”) amends the Amended and Restated Service Plan for Banning Lewis Ranch Metropolitan District Nos. 1, 2, 3, 4, 5 and 7 (the “Consolidated Service Plan”), a copy of which is filed and of record with the El Paso County District Court in Case No. 05CV3905. This Amendment s submitted by and applies solely to the Banning Lewis Ranch Metropolitan District No. 2 (the “District”). In all other respects, the Consolidated Service Plan is unchanged and remains in full force and effect.

2. Amendment

The sole purpose of this Amendment is to amend the Consolidated Service Plan to allow the District to levy an unlimited Maximum Debt Service Levy. The Consolidated Service Plan shall remain unchanged in all other respects, including but not limited to the District’s Maximum Operating Mill Levy for the payment of operating and maintenance expenses (20 mills) and the District’s Maximum Debt Mill Levy Imposition Term (40 years).

The Amendment requires only the amendment of Section VI.E.1. of the Consolidated Service Plan, and is provided as follows, with original language included in italics for context and the amended language indicated in bold and underline:

VI. FINANCIAL PLAN

\* \* \*

E. *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 of the Districts for payment of Debt, and shall be determined as follows:*

*1. For the Residential Districts the Maximum Debt Mill Levy shall be calculated as follows:*

*(a) The Maximum Debt Mill Levy shall be 30 mills; provided that if, on or after January 1, 2008, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or*

*decreased to reflect such changes, such increases or decreases to be determined by the Board of the issuing District in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2008, 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.*

*(b) At such time as the Debt to Actual Market Value Ratio within a Residential District is equal to or less than three percent (3%), the Board of that Residential District may request City Council approval for the right to pledge such mill levy as is necessary to pay the Debt service on such Debt, without limitation of rate. At the time of such request, a majority of the members of the Board must consist of homeowners owning property within the District. Once Debt has been determined to meet the above criterion, 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 Actual Market Value Ratio.*

**(c) Notwithstanding the foregoing limitations in subsections (a) and (b), the Maximum Debt Mill Levy for District No. 2 shall be defined as an ad valorem mill levy imposed on all taxable property in District No. 2, without limitation of rate or with such limitations as may be determined by District No. 2's board of directors, and in amounts sufficient to produce such amount as may be necessary for the purpose of paying the principal of, premium if any, and interest on District No. 2's debt.**

\* \* \*

### 3. Rationale

While the District's Debt to Actual Market Value Ratio, as defined in the Consolidated Service Plan, is not currently equal to or less than three percent, the Board of Directors of the District (the "Board") has determined it to be in the best interests of the District to amend the Consolidated Service Plan in order to allow the District to refinance its outstanding indebtedness ("Debt") to take advantage of current, favorable market conditions; to lower the overall interest rate applicable to the Debt; to lower the mill levy necessary to service the Debt; and to afford its residents and taxpayers the savings associated with these actions. The most advantageous refinancing model requires that the Maximum Debt Service Levy, as described in the Consolidated Service Plan and as applied only to the District, be amended to allow the District to pledge to the payment of the Debt, as refinanced, the promise that the District will certify a mill levy that is unlimited as to rate or amount.

**AMENDED AND RESTATED SERVICE PLAN  
FOR**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 2**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 4**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 5**

**BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 7**

**IN THE CITY OF COLORADO SPRINGS, COLORADO**

Prepared

by

Grimshaw & Harring, P.C.  
1700 Lincoln Street, Suite 3800  
Denver, Colorado 80203

Submitted: January 31, 2008

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## I. INTRODUCTION

### A. Purpose and Intent

This Service Plan amends and restates the Consolidated Service Plan for Banning Lewis Ranch Metropolitan District Nos. 1 – 7, previously approved by City Council, a copy of which is filed and of record with the El Paso County Court in Case No. 05CV3796 (Banning Lewis Ranch Metropolitan District No. 1), Case No. 05CV3905 (Banning Lewis Ranch Metropolitan District No. 2), Case No. 05CV3805 (Banning Lewis Ranch Metropolitan District No. 3), Case No. 05CV3823 (Banning Lewis Ranch Metropolitan District No. 4), Case No. 05CV3833 (Banning Lewis Ranch Metropolitan District No. 5), Case No. 05CV3842 (Banning Lewis Ranch Metropolitan District No. 7). This Service Plan does not affect Banning Lewis Ranch Metropolitan District No. 6, now known as Banning Lewis Ranch Regional Metropolitan District.

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 those specifically set forth in Exhibit D to 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. Approval of this Service Plan 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 Plan

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 Districts and at a tax mill levy no higher than the Maximum Debt Mill Levy for all Districts. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

Debt: any bond, note debenture, contract or other multiple-year financial obligation of a District which is payable in whole or in part from, or which constitutes a lien or encumbrance on the proceeds of ad valorem property tax imposed by a District.

Debt to Actual Market Value Ratio: the ratio derived by dividing the then-outstanding principal amount of all Debt of the District by the actual market valuation of the taxable property of the District, as such actual market valuation is certified from time to time by the appropriate county assessor.

District No. 1: the Banning Lewis Ranch Metropolitan District No. 1.

District No. 2: the Banning Lewis Ranch Metropolitan District No. 2.

District No. 3: the Banning Lewis Ranch Metropolitan District No. 3.

District No. 4: the Banning Lewis Ranch Metropolitan District No. 4.

District No. 5: the Banning Lewis Ranch Metropolitan District No. 5.

District No. 7: the Banning Lewis Ranch Metropolitan District No. 7.

District or Districts: any one or all of the District Nos. 1 through 5 and 7, inclusive.

External Financial Advisor: a consultant that: (1) 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; (2) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (3) is not an officer of the District.

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

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

Inclusion Area Boundary Map: 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: the boundaries of the area described in the Initial District Boundary Map.

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



**IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The Service Area consists of approximately 21,400.99 acres of currently 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 150,000 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 not be authorized to operate and maintain any part or all of the Public Improvements after such dedication, including park and recreation improvements, unless the provision of such ongoing operation and maintenance is specifically identified in Exhibit D attached hereto. In the City's sole discretion, an IGA between the City and the District may be required in order to better describe the conditions under which these permitted services will be provided by the District. If the Districts are authorized to operate and maintain certain park and recreation improvements set forth in Exhibit D, any fee imposed by the Districts for access to such park and recreation improvements shall not result in non-District 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 residents to ensure that such costs are not the responsibility of the Districts residents. All such fees shall be based upon the determination of the District imposing such fee that such fee does not exceed a reasonable annual market fee for users of such facilities. Notwithstanding the foregoing, all parks and trails shall be open to the general public including non-District residents free of charge.

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 Council.

8. Overlap Limitation. As used in this Section V.A.8., the term "Districts" shall include reference to Banning Lewis Ranch Metropolitan District Nos. 1 – 5 in addition to District No. 7. 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; provided, that the Districts may consent (individually or jointly) to the overlap of their boundaries by the Banning Lewis Ranch Metropolitan District, which has a maximum debt levy of 9 mills, and the limitations of this Section V.A.8 shall not apply to such overlap.

9. Initial Debt Limitation. On or before the date on which there is an Approved Development Plan, the District shall not (a) issue any Debt, (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, or (c) impose and collect any fees used for the purpose of repayment of Debt.

10. Total Debt Issuance Limitation. The issuance of all bonds or other debt instruments of Districts shall be subject to the approval of the City Council. City Council's review of the bonds or other debt instruments of the Districts shall be conducted to ensure compliance with the Service Plan and all applicable laws. The Districts shall not issue Debt in an aggregate principal amount in excess of \$400,000,000, with \$100,000,000 of the total allocated to District No. 3, \$100,000,000 to District No. 4, \$100,000,000 to District No. 5, and \$100,000,000 to District No. 7, provided that the foregoing shall not include the principal amount of Debt issued for the purpose of refunding or refinancing lawfully issued Debt.

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 nonprofit 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.

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 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, CRS. It is expressly intended that such limitations:

derived from the Approved Development Plan on the property in the Service Area and is approximately \$600,000,000.00.

The Districts shall be permitted to allocate costs between such categories of the Public Improvements as deemed necessary in their discretion.

All of the Public Improvements described herein 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 descriptions of the Public Improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the City's requirements, and construction scheduling may require. Upon approval of this Service Plan, the Districts will continue to develop and refine cost estimates contained herein and prepare for issuance of Debt. All cost estimates will be inflated to then-current dollars at the time of the issuance of Debt and construction. All construction cost estimates assume construction 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 IGA between and among the Districts. The maximum term of such IGA shall be forty (40) years from its effective date. 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 IGA is essential to the orderly implementation of this Service Plan. Accordingly, except as may be otherwise provided in such IGA, any determination of any one of the Board of Directors to set aside at the Agreement without the consent of all of the Board of Directors of the other Districts party to such IGA shall be a material modification of the Service Plan. Said IGA may be amended by mutual agreement of the Districts party to such agreement without the need to amend this Service Plan.

VI. 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 its revenue 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 from revenue derived from the Maximum Debt Mill Levy and other legally available revenue, within the Maximum Debt Mill Levy Term for Residential Districts. The total Debt that the Districts shall be permitted to issue shall not exceed the total Debt issuance limitation set forth in Section V.A.10 hereof, 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 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 revenue of the Districts, including general ad valorem taxes to

determined by the Board of the issuing District in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2007, 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.

(b) At such time as the Debt to Actual Market Value Ratio within a Residential District is equal to or less than three percent (3%), the Board of that Residential District may request City Council approval for the right to pledge such mill levy as is necessary to pay the Debt service on such Debt, without limitation of rate. At the time of such request, a majority of the members of the Board must consist of homeowners owning property within the District. Once Debt has been determined to meet the above criterion, 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 Actual Market Value Ratio.

2. For the Commercial District the Maximum Debt Mill Levy shall be calculated as follows:

(a) The Maximum Debt Mill Levy shall be 50 mills; provided that if, on or after January 1, 2006, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board of the issuing District in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2006, 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.

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

F. Maximum Debt Mill Levy Imposition Term

Residential Districts shall not impose a Debt Service mill levy which exceeds 40 years after the year of the initial imposition of such Debt Service mill levy unless (1) a majority of the Board of Directors of the District imposing the mill levy are residents of such District, and (2) such Board has voted in favor of issuing Debt with a term which requires or contemplates the imposition of a Debt service mill levy for a longer period of time than the limitation contained herein. There shall be no Maximum Debt Mill Levy Imposition Term in Commercial Districts.

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

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.

K. Developer Financial Assurances

The mere existence of the District will not be considered a substitute for financial assurances required under applicable City land use ordinances and regulations.

VII. ANNUAL REPORT

A. General

Each of the Districts shall be responsible for submitting an annual report to the Director of the City's Budget Department no later than August 1 of each year following the year in which this Service Plan is approved. The Districts may cooperate in the creation and submittal of the report, provided the presentation of information in the report clearly identifies the applicable information pertaining to each District.

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 any District's 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.

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

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

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 approval of this Service Plan is in the best interests of the area proposed to be served.



**SURVCON INC.**  
PROFESSIONAL SURVEYORS

7800 E. DORADO PLACE  
SUITE 101  
GREENWOOD VILLAGE, CO 80111  
TELEPHONE: 303/858-0404  
FACSIMILE: 303/858-0606

**LEGAL DESCRIPTION - SPECIAL DISTRICT 1**

A PORTION OF THE SOUTHEAST ONE-QUARTER OF SECTION 12, TOWNSHIP 13 SOUTH, RANGE 65 WEST, 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SECTION 34, TOWNSHIP 13 SOUTH, RANGE 65 WEST, 6TH P.M., BEING MONUMENTED AS SHOWN HEREON, BEARING N 01°13'51" E, 2,648.58'.

COMMENCING AT THE EAST ONE-QUARTER CORNER OF SAID SECTION 34; THENCE N 29°51'40" E A DISTANCE OF 21,367.81 FEET TO THE NORTH RIGHT-OF-WAY LINE OF FALCON HIGHWAY (RIGHT-OF-WAY VARIES) FROM WHENCE THE SOUTHEAST CORNER OF SAID SECTION 12 BEARS S 44°09'22" E A DISTANCE OF 42.32 FEET, AND THE POINT OF BEGINNING;

THENCE N 89°18'23" W ALONG SAID NORTH RIGHT-OF-WAY LINE AND 30 FEET NORTH OF AND PARALLEL TO (AS MEASURED AT RIGHT ANGLES) THE SOUTH LINE OF SAID SOUTHEAST ONE-QUARTER OF SECTION 12 A DISTANCE OF 2,659.99 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY 24 (RIGHT-OF-WAY VARIES);

THENCE THE FOLLOWING SEVEN (7) COURSES AND DISTANCES ALONG THE EASTERLY AND SOUTHERLY LINES OF SAID U.S. HIGHWAY 24:

1. N 28°22'37" E A DISTANCE OF 4.40 FEET;
2. N 26°55'23" W A DISTANCE OF 102.86 FEET;
3. N 28°28'37" E A DISTANCE OF 13.87 FEET TO A POINT OF CURVATURE;
4. ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 2815.00, A CENTRAL ANGLE OF 13°15'24" AND AN ARC LENGTH OF 651.31 FEET;
5. N 50°06'15" E A DISTANCE OF 1,078.12 FEET;
6. N 89°23'58" W A DISTANCE OF 46.15 FEET;
7. N 50°06'21" E A DISTANCE OF 851.34 FEET;

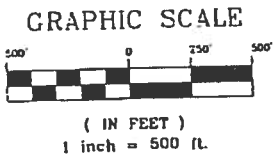
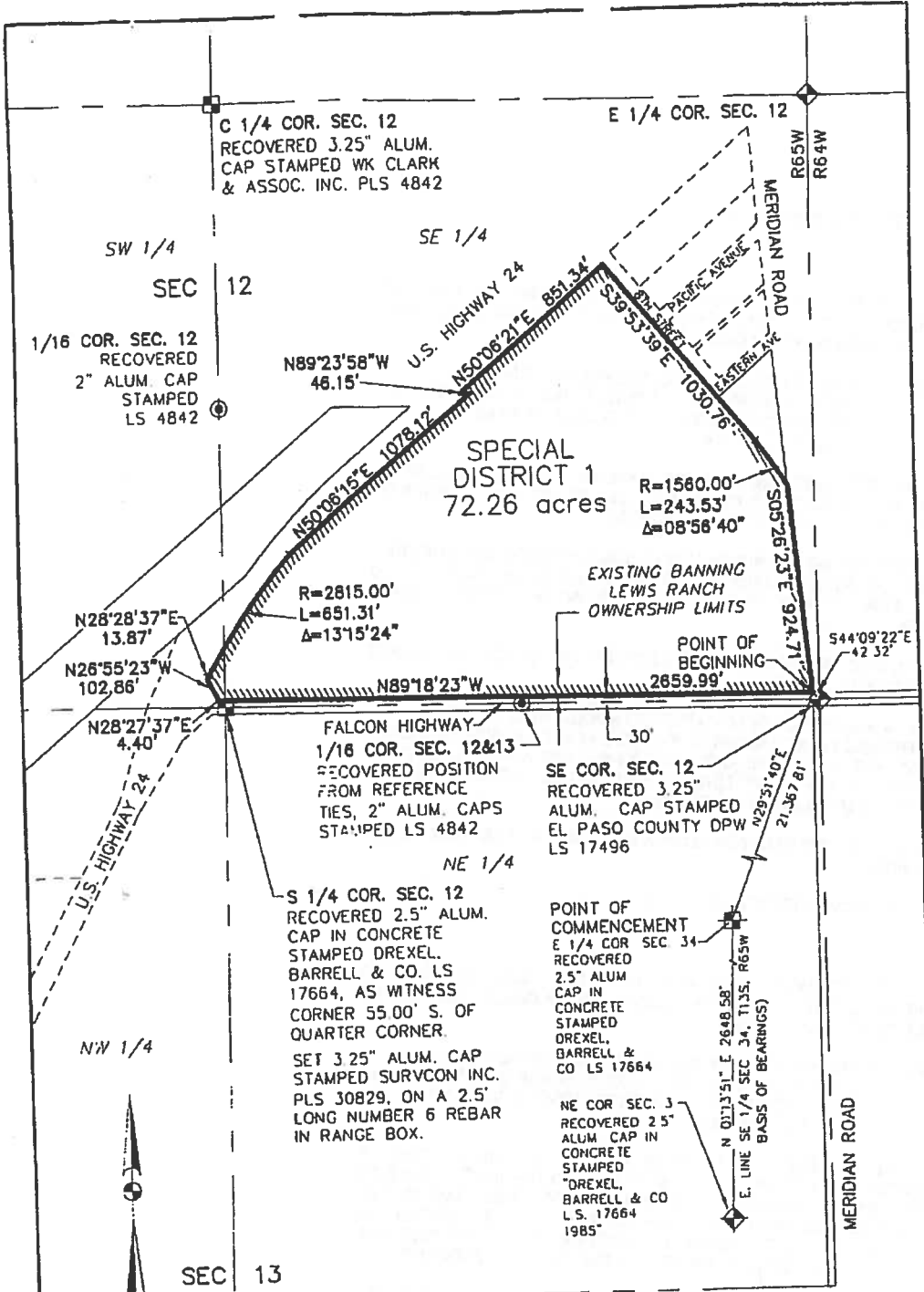
THENCE S 39°53'39" E ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF 8<sup>TH</sup> STREET (60 FOOT RIGHT-OF-WAY) A DISTANCE OF 1,030.76 FEET TO A POINT OF CURVATURE;

THENCE ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 1,560.00 FEET, A CENTRAL ANGLE OF 08°56'40" AND AN ARC LENGTH OF 243.53 FEET TO THE WEST RIGHT-OF-WAY LINE OF MERIDIAN ROAD (RIGHT-OF-WAY VARIES);

THENCE S 05°26'23" E ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 924.71 FEET TO THE POINT OF BEGINNING.

CONTAINING 72.26 ACRES.

EXHIBIT ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF.



NOTE: THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION.

**EXHIBIT**

**SURVCON INC.**  
PROFESSIONAL SURVEYORS  
3400 E. DORADO PL., STE 101  
GREENWOOD VILLAGE, CO 80111  
PH (303) 458-0494

SCALE	1" = 500'	JOB NO.	110-054
DATE:	09-02-2004	DRAFTING	Meiro Districts/BoseMap
DRAWN BY:	CB	SHEET	3 OF 3



THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES:

1. S 48°58'34" W A DISTANCE OF 718.88 FEET TO A POINT OF CURVATURE;
2. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S 41°01'27" E, HAVING A RADIUS OF 1060.00 FEET, A CENTRAL ANGLE OF 17°33'06" AND AN ARC LENGTH OF 324.71 FEET TO A POINT OF COMPOUND CURVATURE ON THE EASTERLY LINE OF MARKSHEFFEL ROAD OF RECORD IN BOOK 2896 AT PAGE 769;

THENCE THE FOLLOWING TWO (2) COURSES ALONG SAID EASTERLY LINE:

1. ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS S 77°59'16" E, HAVING A RADIUS OF 1577.02 FEET, A CENTRAL ANGLE OF 20°24'29" AND AN ARC LENGTH OF 561.71 FEET;
2. N 32°25'14" E A DISTANCE OF 237.68 FEET TO THE POINT OF BEGINNING;

CONTAINING 148,524 SQUARE FEET (3.410 ACRES)

**PARCEL 3:**

A PORTION OF THE SECTIONS 9, 10, 11, 13, 14, 15, 16 AND 22, TOWNSHIP 13 SOUTH, RANGE 65 WEST, 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SECTION 34, TOWNSHIP 13 SOUTH, RANGE 65 WEST, 6<sup>TH</sup> P.M., BEING MONUMENTED AS SHOWN HEREON, BEARING N 01°13'51" E, 2,648.58'.

COMMENCING AT THE EAST ONE-QUARTER CORNER OF SAID SECTION 34; THENCE N 25°21'09" W A DISTANCE OF 24,950.47 FEET TO THE 1/16<sup>TH</sup> CORNER OF SAID SECTIONS 8 AND 9; THENCE N 89°51'40" E ALONG THE NORTH LINE OF THE SOUTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 9 A DISTANCE OF 1,019.43 FEET TO THE EASTERLY RIGHT-OF-WAY OF MARKSHEFFEL ROAD OF RECORD IN COURT STIPULATION AS TO POSSESSION AND USE OF REAL PROPERTY, COURT CASE NUMBER 03CV2630 AND THE POINT OF BEGINNING;

THENCE THE FOLLOWING EIGHT (8) COURSES THROUGH SAID SECTIONS 9, 10 AND 11:

1. N 89°51'40" E ALONG THE NORTH LINE OF THE SOUTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 9 A DISTANCE OF 1,638.57 FEET TO THE NORTHEAST CORNER OF SAID SOUTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 9;
2. N 89°53'40" E ALONG THE NORTH LINE OF THE SOUTH ONE-HALF OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 9 A DISTANCE OF 2,652.62 FEET TO THE NORTHEAST CORNER OF SAID SOUTH ONE-HALF OF THE NORTHEAST ONE-QUARTER OF SECTION 9;
3. N 89°57'52" E ALONG THE NORTH LINE OF THE SOUTH ONE-HALF OF THE NORTH ONE-HALF OF SAID SECTION 10 A DISTANCE OF 1,453.38 FEET;
4. S 00°13'26" E A DISTANCE OF 394.31 FEET;
5. N 89°51'27" E A DISTANCE OF 3,954.65 FEET;
6. S 89°08'12" E A DISTANCE OF 3,884.02 FEET;
7. S 00°08'13" W A DISTANCE OF 145.14 FEET;
8. S 89°08'14" E A DISTANCE OF 1,119.97 FEET TO THE WESTERLY LINE OF THE PUBLIC SERVICE COMPANY OF COLORADO PARCEL OF RECORD IN BOOK 2194 AT PAGE 154;

10. S 89°44'56" W A DISTANCE OF 1731.79 FEET;
11. S 44°46'18" W A DISTANCE OF 42.44 FEET;
12. S 00°13'00" E A DISTANCE OF 11.04 FEET;
13. S 89°47'00" W A DISTANCE OF 123.00 FEET;
14. N 45°13'00" W A DISTANCE OF 42.43 FEET;
15. S 89°47'00" W A DISTANCE OF 232.95 FEET;
16. N 86°43'11" W A DISTANCE OF 180.34 FEET;
17. S 89°47'00" W A DISTANCE OF 796.16 FEET;
18. THENCE ALONG THE ARC OF A TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 1917.00 FEET, A CENTRAL ANGLE OF 37°00'00" AND AN ARC LENGTH OF 1237.94 FEET;
19. S 52°47'00" W A DISTANCE OF 79.00 FEET;
20. S 07°47'00" W A DISTANCE OF 42.43 FEET;
21. S 37°13'00" E A DISTANCE OF 11.00 FEET;
22. S 52°47'00" W A DISTANCE OF 96.00 FEET;
23. N 82°13'00" W A DISTANCE OF 42.43 FEET;
24. S 52°47'00" W A DISTANCE OF 240.76 FEET;
25. S 56°16'37" W A DISTANCE OF 180.52 FEET;
26. S 52°47'00" W A DISTANCE OF 150.01 FEET TO A POINT OF CURVATURE;
27. THENCE ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 1083.00 FEET, A CENTRAL ANGLE OF 20°27'04" AND AN ARC LENGTH OF 386.57 FEET;
28. S 73°14'04" W A DISTANCE OF 88.44 FEET TO A POINT OF CURVATURE;
29. THENCE ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 733.00 FEET, A CENTRAL ANGLE OF 14°10'50" AND AN ARC LENGTH OF 181.42 FEET TO A POINT OF COMPOUND CURVATURE;
30. ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N 02°35'06" W, HAVING A RADIUS OF 1094.00 FEET, A CENTRAL ANGLE OF 10°09'56" AND AN ARC LENGTH OF 194.10 FEET;
31. N 82°25'09" W A DISTANCE OF 322.65 FEET;
32. S 58°55'15" W A DISTANCE OF 38.42 FEET;
33. N 82°25'09" W A DISTANCE OF 811.86 FEET;
34. N 35°40'25" W A DISTANCE OF 32.95 FEET;
35. N 82°25'09" W A DISTANCE OF 201.09 FEET;
36. N 78°25'01" W A DISTANCE OF 301.09 FEET;
37. N 82°26'11" W A DISTANCE OF 48.63 FEET;
38. S 52°11'00" W A DISTANCE OF 42.02 FEET;
39. S 06°47'10" W A DISTANCE OF 5.08 FEET;
40. N 82°25'19" W A DISTANCE OF 117.05 FEET;
41. N 37°48'47" W A DISTANCE OF 32.75 FEET;
42. N 82°25'09" W A DISTANCE OF 236.64 FEET TO THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 22;

THENCE N 00°14'02" E ALONG SAID WEST LINE OF THE NORTHWEST ONE-QUARTER A DISTANCE OF 235.83 FEET TO THE NORTHWEST CORNER OF SAID SECTION 22;

THENCE N 00°20'14" E ALONG THE WEST LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 15 A DISTANCE OF 2,646.65 FEET TO THE WEST ONE-QUARTER CORNER OF SAID SECTION 15;

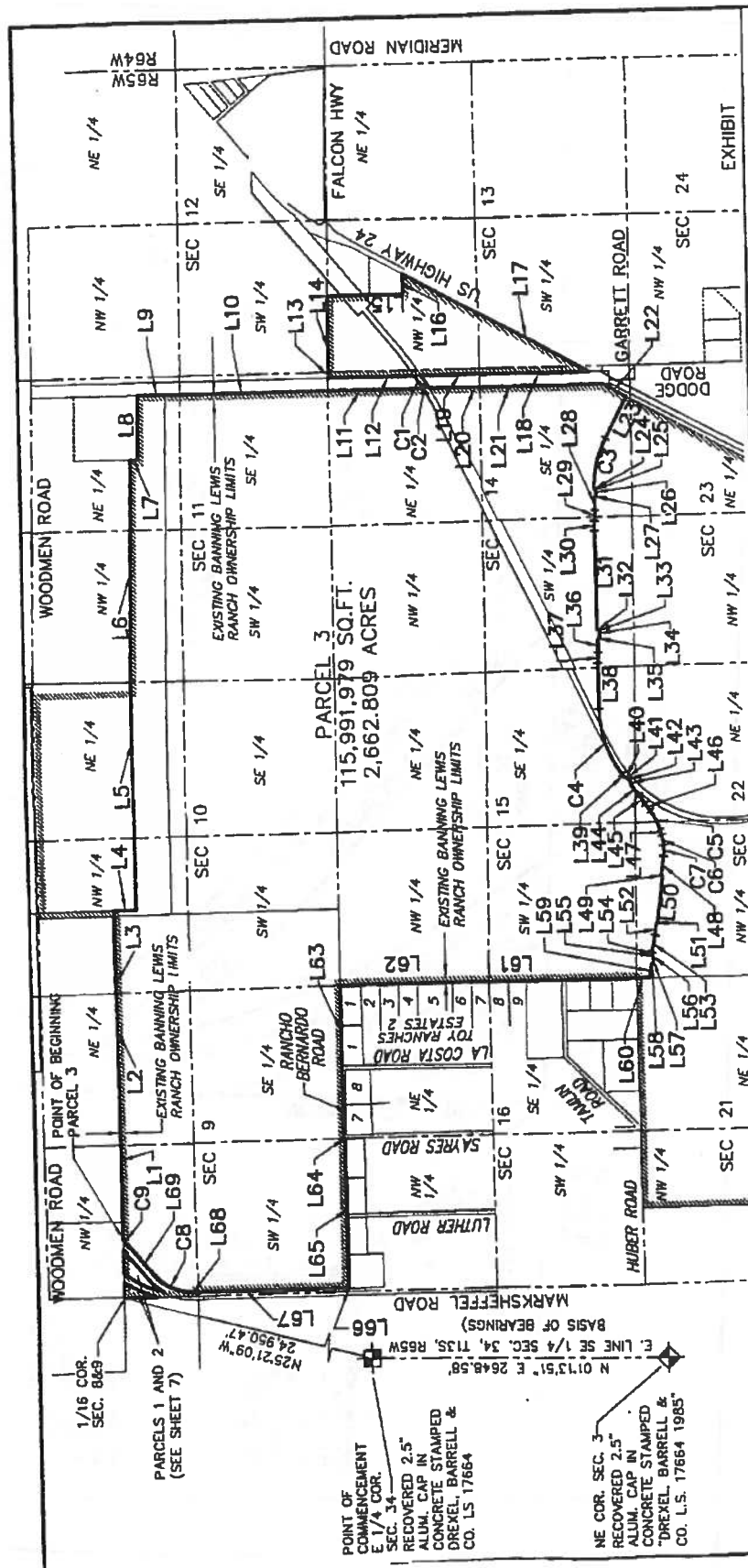
THENCE N 00°20'14" E ALONG THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 15 A DISTANCE OF 2,646.40 FEET TO THE NORTHWEST CORNER OF SAID SECTION 15;

THENCE N 89°55'08" W ALONG THE SOUTH LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 9 A DISTANCE OF 2,680.60 FEET TO THE SOUTH ONE-QUARTER CORNER OF SAID SECTION 9;

THENCE S 00°15'04" W ALONG THE EAST LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 16 A DISTANCE OF 30.00 FEET;

THENCE S 89°40'52" W ALONG A LINE 30 FEET SOUTH OF AND PARALLEL TO (AS MEASURED AT RIGHT ANGLES) THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 16 A DISTANCE OF 2,620.32 FEET TO THE EASTERLY RIGHT-OF-WAY OF MARKSHEFFEL ROAD (RIGHT-OF-WAY VARIES);

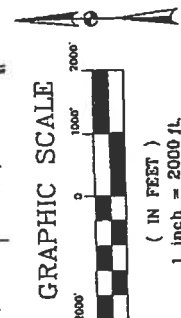
PAGE 4 OF 8



**SURVCON INC.**  
 PROFESSIONAL SURVEYORS  
 7800 E. IXPADO PL., STE. 101  
 GREENWICK VILLAGE, CO 80111  
 PH. (303) 858-0804

SCALE: 1" = 2000'  
 DATE: 03-17-2005  
 DRAWN BY: CB

JOB NO. 110-054  
 Metro District/Metro District 2 REV 2  
 SHEET 6 OF 8



NOTE: THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION.

1/16 COR. SEC. 869

PARCELS 1 AND 2 (SEE SHEET 7)

POINT OF COMMENCEMENT SEC. 34  
 RECOVERED 2.5" ALUM. CAP IN CONCRETE STAMPED DREXEL, BARRELL & CO. LS 17664

NE COR. SEC. 3  
 RECOVERED 2.5" ALUM. CAP IN CONCRETE STAMPED "DREXEL BARRELL & CO. L.S. 17664 1985"

E. LINE SE 1/4 SEC. 34, T13S, R65W  
 N 01°13'51" E 2648.58'  
 N 01°13'51" E 2648.58'

POINT OF BEGINNING PARCEL 3

PARCEL 3  
 115,991,979 SQ.FT.  
 2,662,809 ACRES

TOY RANCHES ESTATES  
 LA COSTA ROAD  
 BERNARDO ROAD

SAYRES ROAD  
 LUTHER ROAD  
 HUBER ROAD

MARKSHEFFEL ROAD  
 BASIS OF BEARINGS

WOODMEN ROAD  
 FALCON HWY  
 GARRETT ROAD  
 DODGE ROAD

EXISTING BANNING LEWIS RANCH OWNERSHIP LIMITS

EXISTING BANNING LEWIS RANCH OWNERSHIP LIMITS

EXISTING BANNING LEWIS RANCH OWNERSHIP LIMITS

EXHIBIT

**LINE AND CURVE TABLE**

**LINE TABLE:**

Line 1:	N 89°51'40" E	1,638.57'
Line 2:	N 89°53'40" E	2,652.62'
Line 3:	N 89°57'52" E	1,453.38'
Line 4:	S 00°13'26" E	394.31'
Line 5:	N 89°51'27" E	3,954.65'
Line 6:	S 89°08'12" E	3,884.02'
Line 7:	S 00°08'13" W	145.14'
Line 8:	S 89°08'14" E	1,119.97'
Line 9:	S 00°08'13" W	761.74'
Line 10:	S 00°08'29" W	2,627.56'
Line 11:	S 00°06'57" W	1,692.62'
Line 12:	N 00°06'57" E	1,546.09'
Line 13:	N 89°49'47" E	100.00'
Line 14:	S 89°18'34" E	1,328.02'
Line 15:	S 00°07'50" W	1,342.80'
Line 16:	S 89°34'42" E	350.20'
Line 17:	S 28°28'31" W	3,744.50'
Line 18:	N 00°08'25" E	1,955.02'
Line 19:	N 00°06'57" E	1,030.90'
Line 20:	S 00°06'57" W	888.48'
Line 21:	S 00°08'25" W	2,213.90'
Line 22:	S 28°29'00" W	468.54'
Line 23:	N 61°30'03" W	829.01'
Line 24:	S 45°27'20" W	42.01'
Line 25:	S 00°07'17" E	10.81'
Line 26:	S 89°52'43" W	99.00'
Line 27:	N 45°07'17" W	42.43'
Line 28:	S 89°52'43" W	224.09'
Line 29:	N 86°37'40" W	180.51'
Line 30:	S 89°52'43" W	171.65'
Line 31:	S 89°44'56" W	1,731.79'
Line 32:	S 44°46'18" W	42.44'
Line 33:	S 00°13'00" E	11.04'
Line 34:	S 89°47'00" W	123.00'
Line 35:	N 45°13'00" W	42.43'
Line 36:	S 89°47'00" W	232.95'
Line 37:	N 86°43'11" W	180.34'
Line 38:	S 89°47'00" W	796.16'

**CURVE TABLE:**

C1:	Length: 268.22' Radius: 5,679.64' Delta: 02°42'21"
C2:	Length: 266.28' Radius: 5,779.64' Delta: 02°38'23"
C3:	Length: 902.87' Radius: 1,917.00' Delta: 26°59'07"
C4:	Length: 1,237.94' Radius: 1,917.00' Delta: 37°00'00"
C5:	Length: 386.57' Radius: 1,083.00' Delta: 20°27'04"
C6:	Length: 181.42' Radius: 733.00' Delta: 14°10'50"
C7:	Length: 194.10' Radius: 1,094.00' Delta: 10°09'56"
C8:	Length: 799.59' Radius: 940.00' Delta: 48°44'14"
C9:	Length: 85.09' Radius: 1,060.00' Delta: 04°35'57"

**CURVE TABLE:**

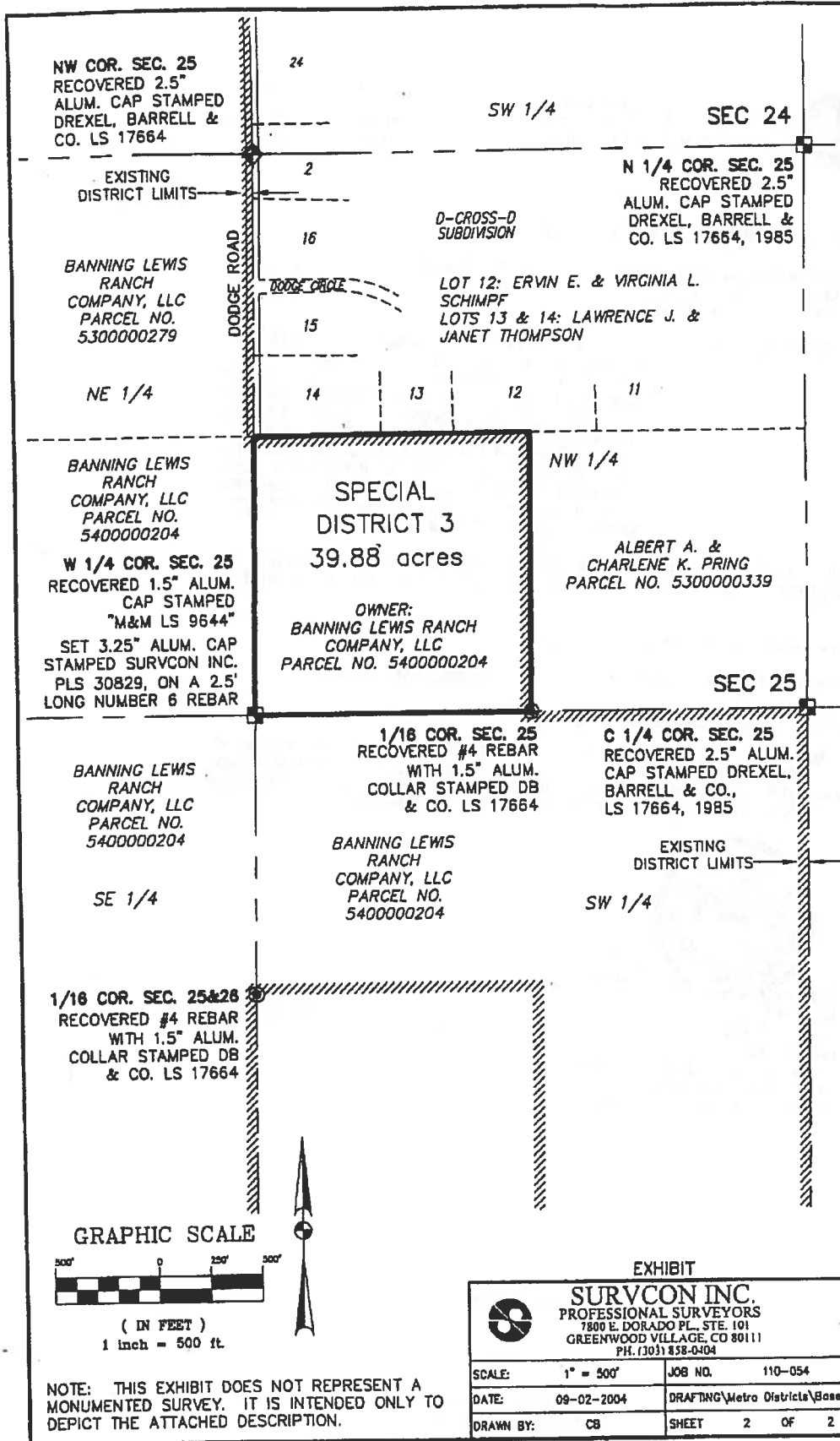
C10:	Length: 500.57' Radius: 1,697.02' Delta: 16°54'02"
C11:	Length: 324.71' Radius: 1,060.00' Delta: 17°33'06"
C12:	Length: 561.71' Radius: 1,577.02' Delta: 20°24'29"

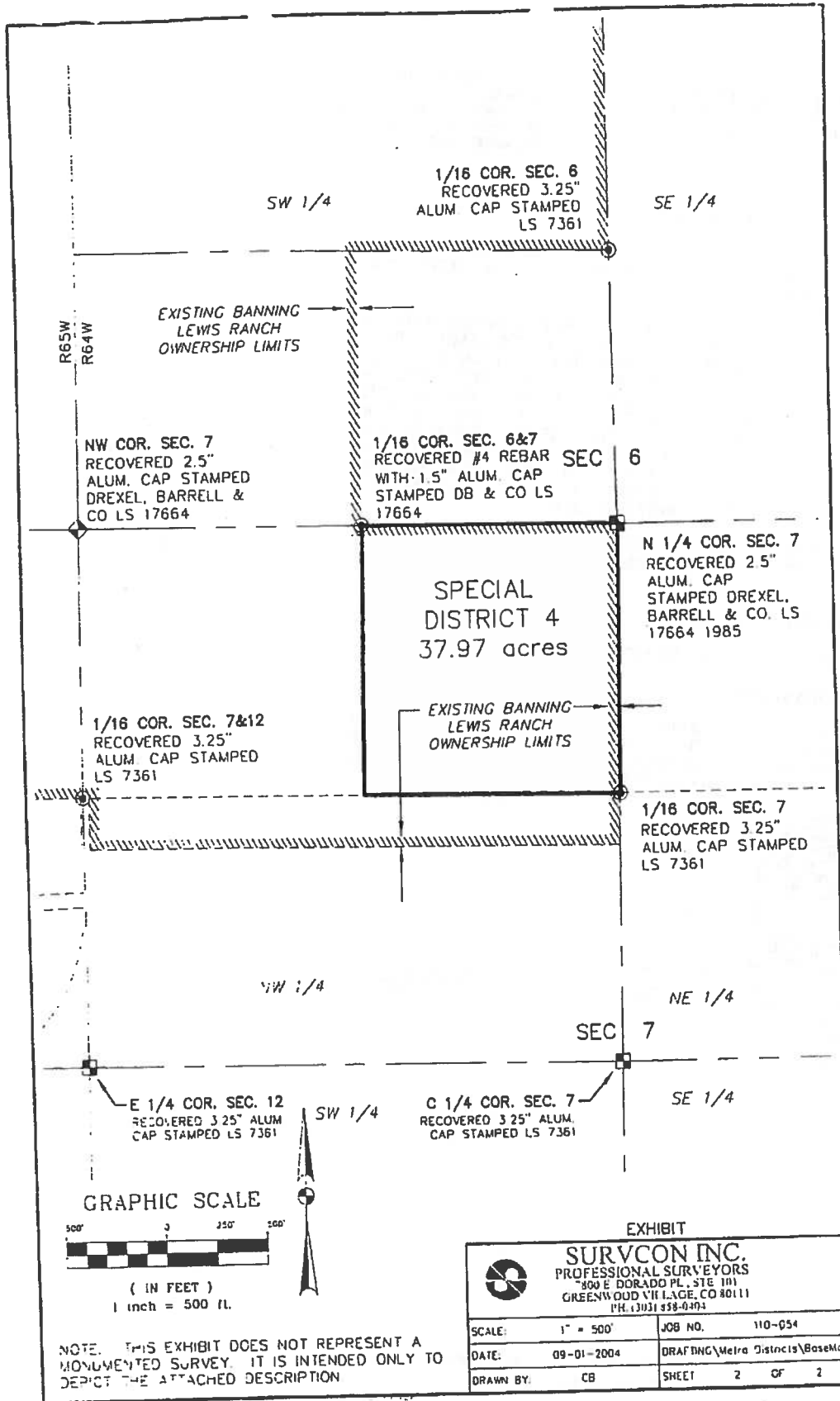
**EXHIBIT**

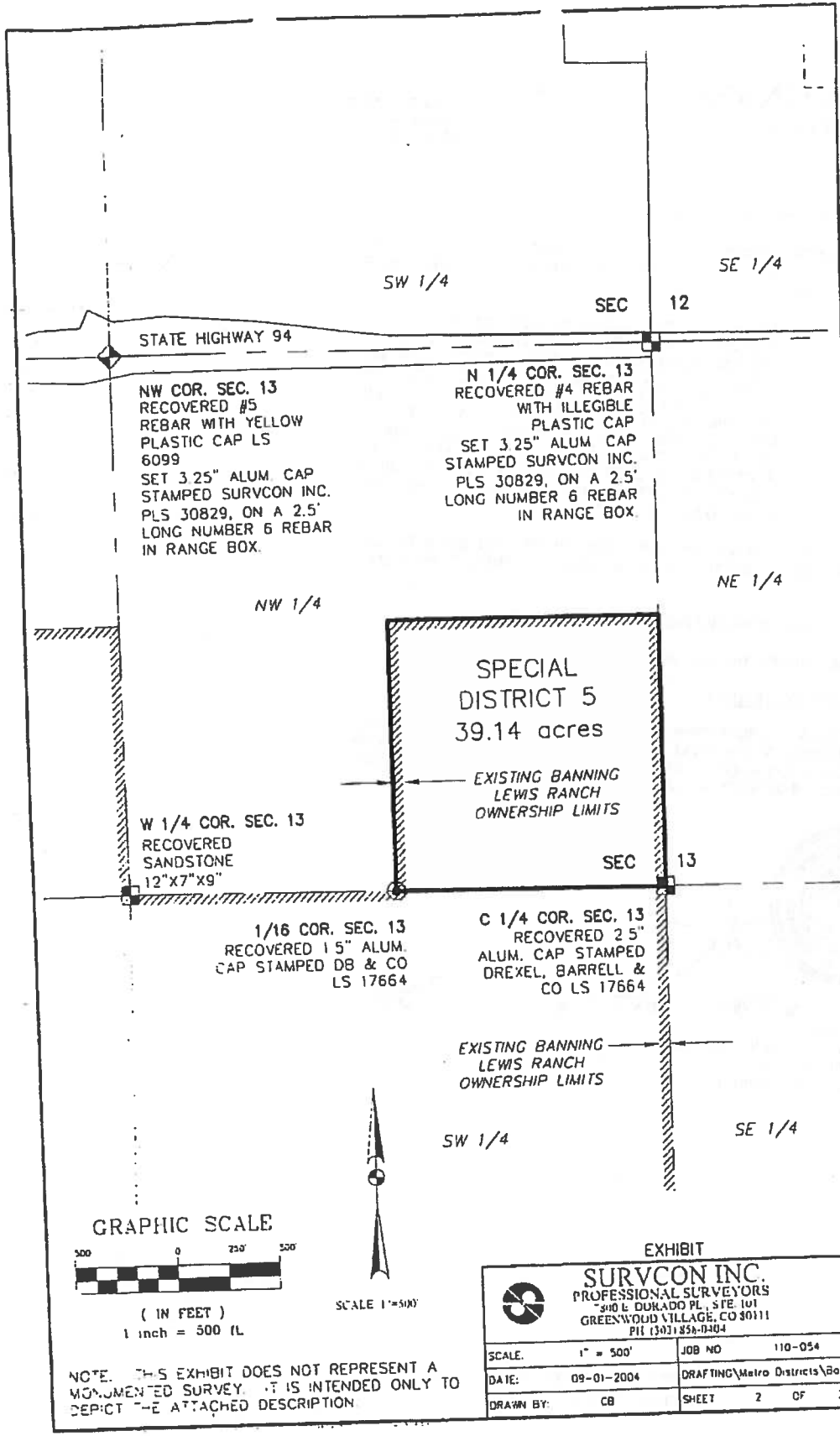


**SURVCON INC.**  
PROFESSIONAL SURVEYORS  
7400 E. DURANGO PL., STE. 101  
GREENWOOD VILLAGE, CO 80111  
TEL. (303) 858-0804

SCALE:	NTS	JOB NO.	110-054
DATE:	03-17-2005	Metro District/Vetrol District 2	REV 2
DRAWN BY:	CB	SHEET	8 OF 8







STATE HIGHWAY 94

NW COR. SEC. 13  
RECOVERED #5  
REBAR WITH YELLOW  
PLASTIC CAP LS  
6099  
SET 3.25" ALUM. CAP  
STAMPED SURVCON INC.  
PLS 30829, ON A 2.5'  
LONG NUMBER 6 REBAR  
IN RANGE BOX.

N 1/4 COR. SEC. 13  
RECOVERED #4 REBAR  
WITH ILLEGIBLE  
PLASTIC CAP  
SET 3.25" ALUM. CAP  
STAMPED SURVCON INC.  
PLS 30829, ON A 2.5'  
LONG NUMBER 6 REBAR  
IN RANGE BOX.

SPECIAL  
DISTRICT 5  
39.14 acres

EXISTING BANNING  
LEWIS RANCH  
OWNERSHIP LIMITS

W 1/4 COR. SEC. 13  
RECOVERED  
SANDSTONE  
12"x7"x9"

1/16 COR. SEC. 13  
RECOVERED 1.5" ALUM.  
CAP STAMPED DB & CO  
LS 17664

C 1/4 COR. SEC. 13  
RECOVERED 2.5"  
ALUM. CAP STAMPED  
DREXEL, BARRELL &  
CO LS 17664

EXISTING BANNING  
LEWIS RANCH  
OWNERSHIP LIMITS

GRAPHIC SCALE



( IN FEET )  
1 inch = 500 ft

SCALE 1" = 500'

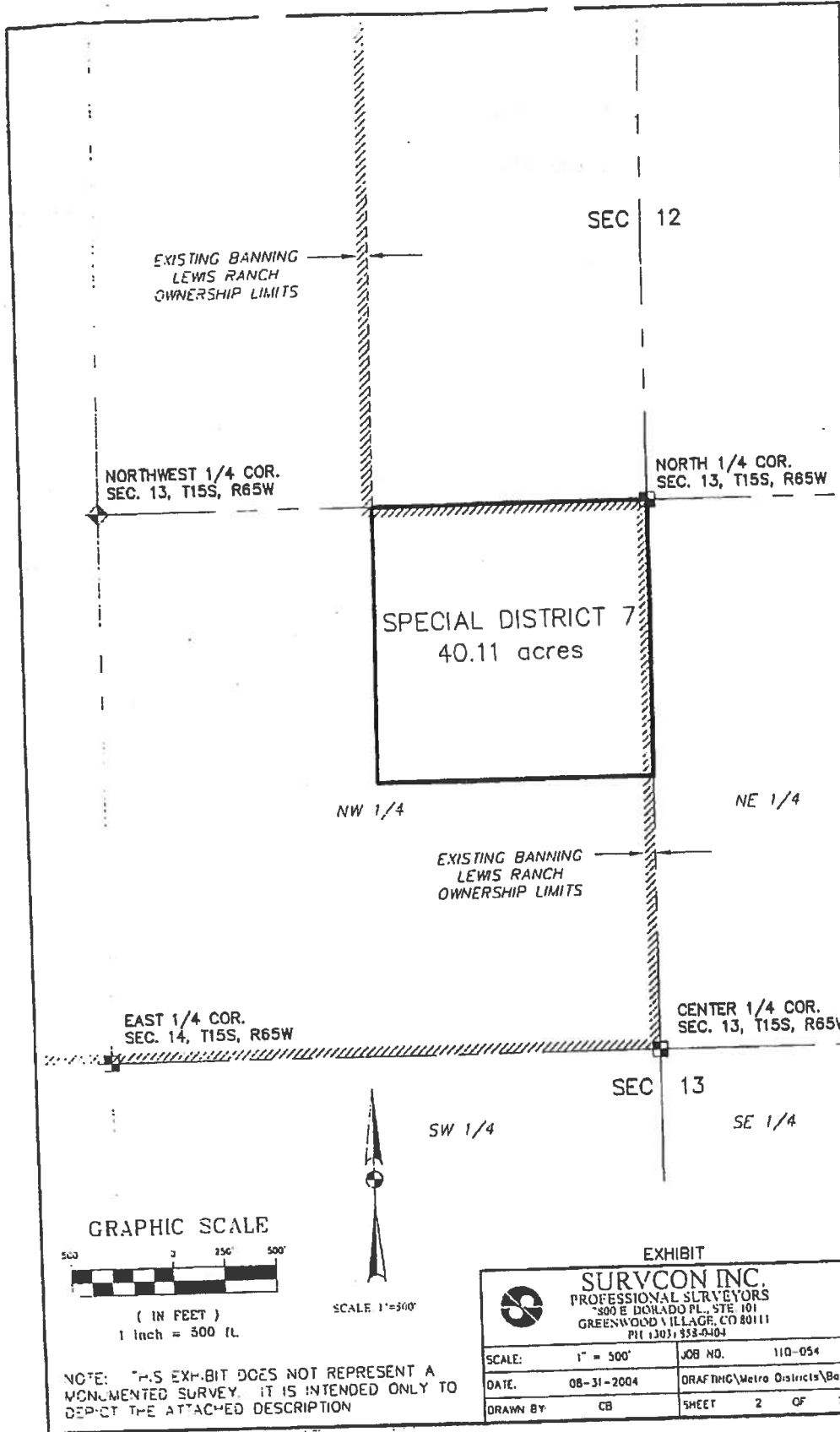
EXHIBIT



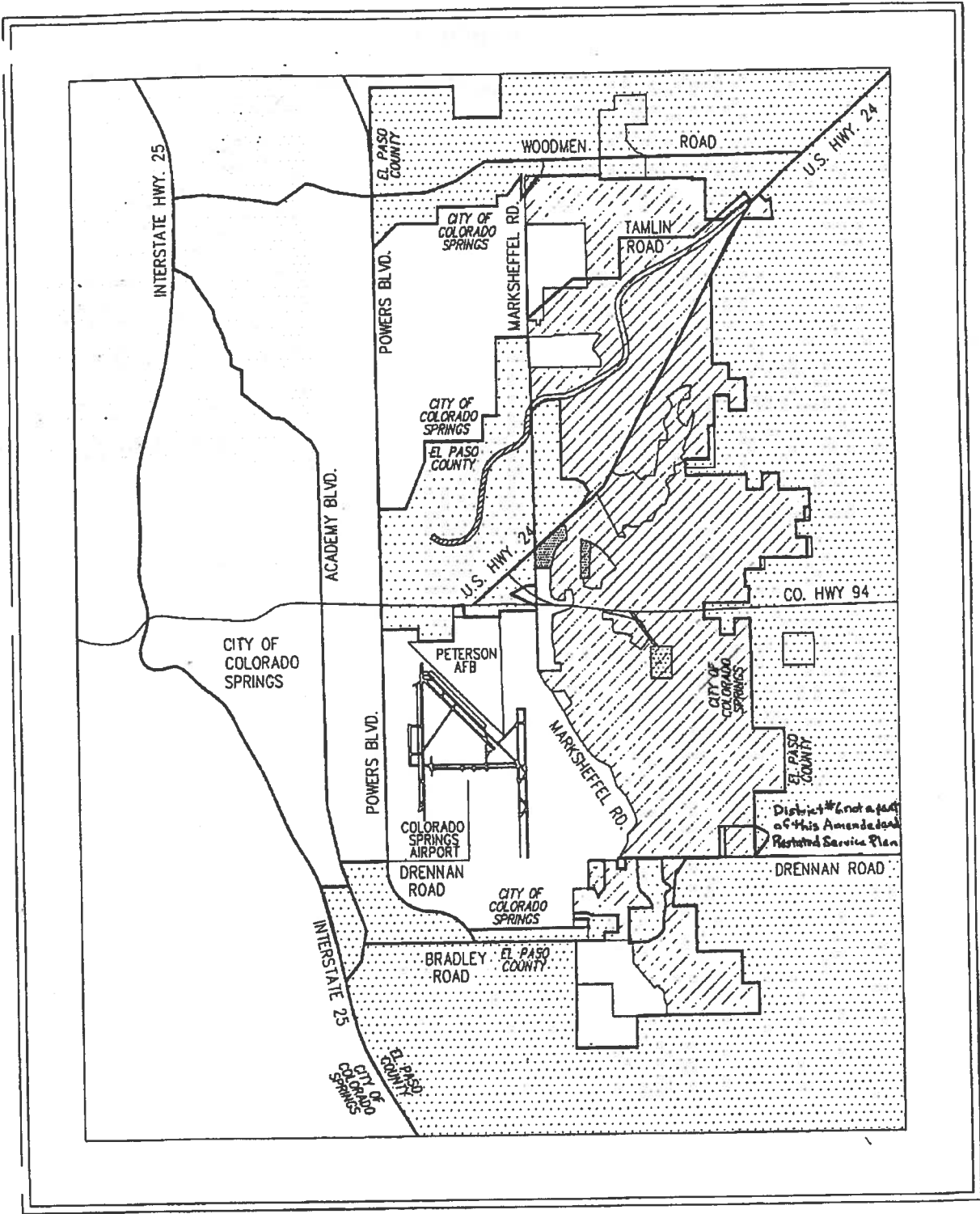
**SURVCON INC.**  
PROFESSIONAL SURVEYORS  
410 E. DURADO PL., STE. 101  
GREENWOOD VILLAGE, CO 80111  
PH (303) 858-0104

SCALE:	1" = 500'	JOB NO	110-054
DATE:	09-01-2004	DRAFTING	Metro Districts\RoseMap
DRAWN BY:	CB	SHEET	2 OF 2

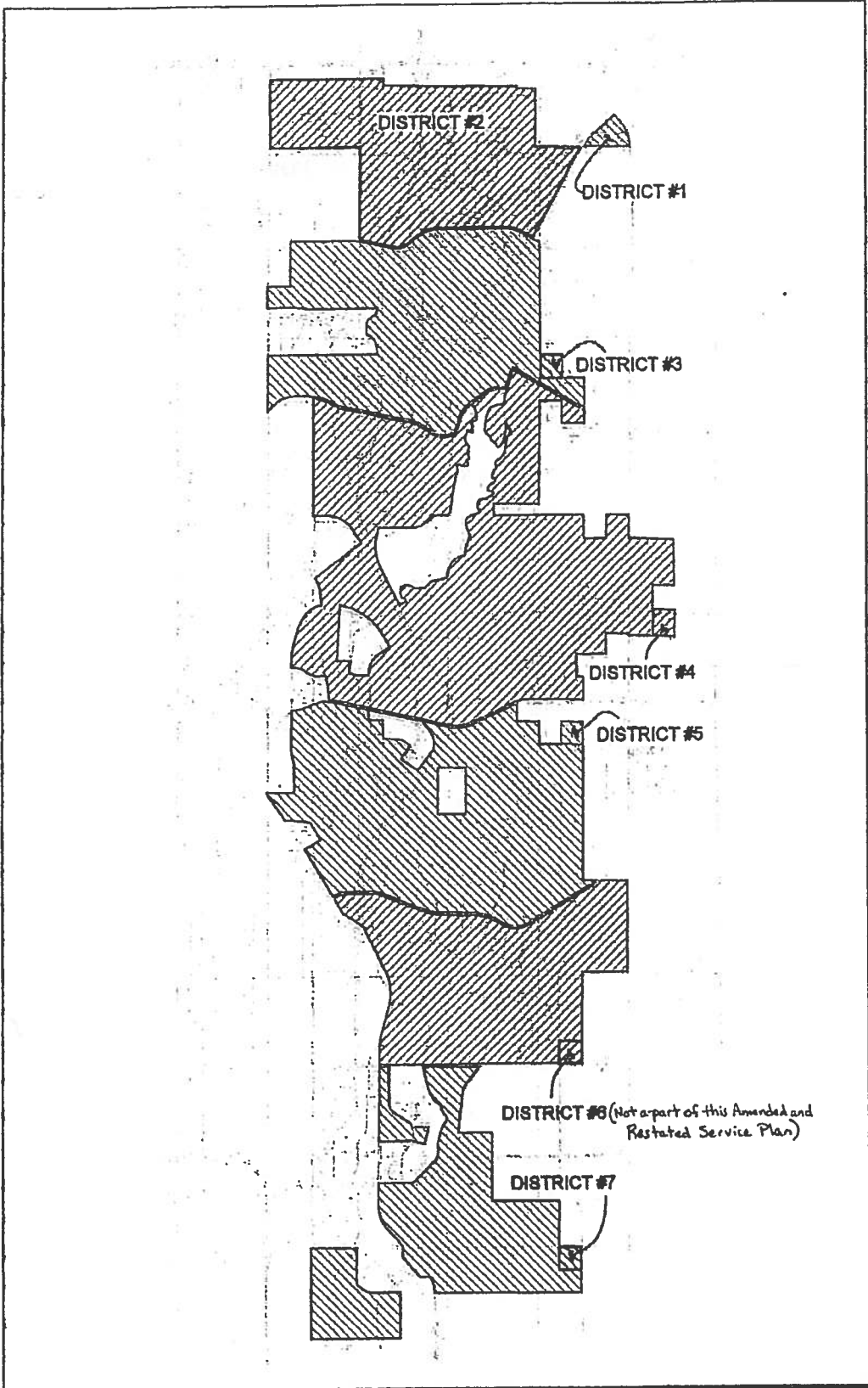
NOTE: THIS EXHIBIT DOES NOT REPRESENT A  
MONUMENTED SURVEY. IT IS INTENDED ONLY TO  
DEPICT THE ATTACHED DESCRIPTION

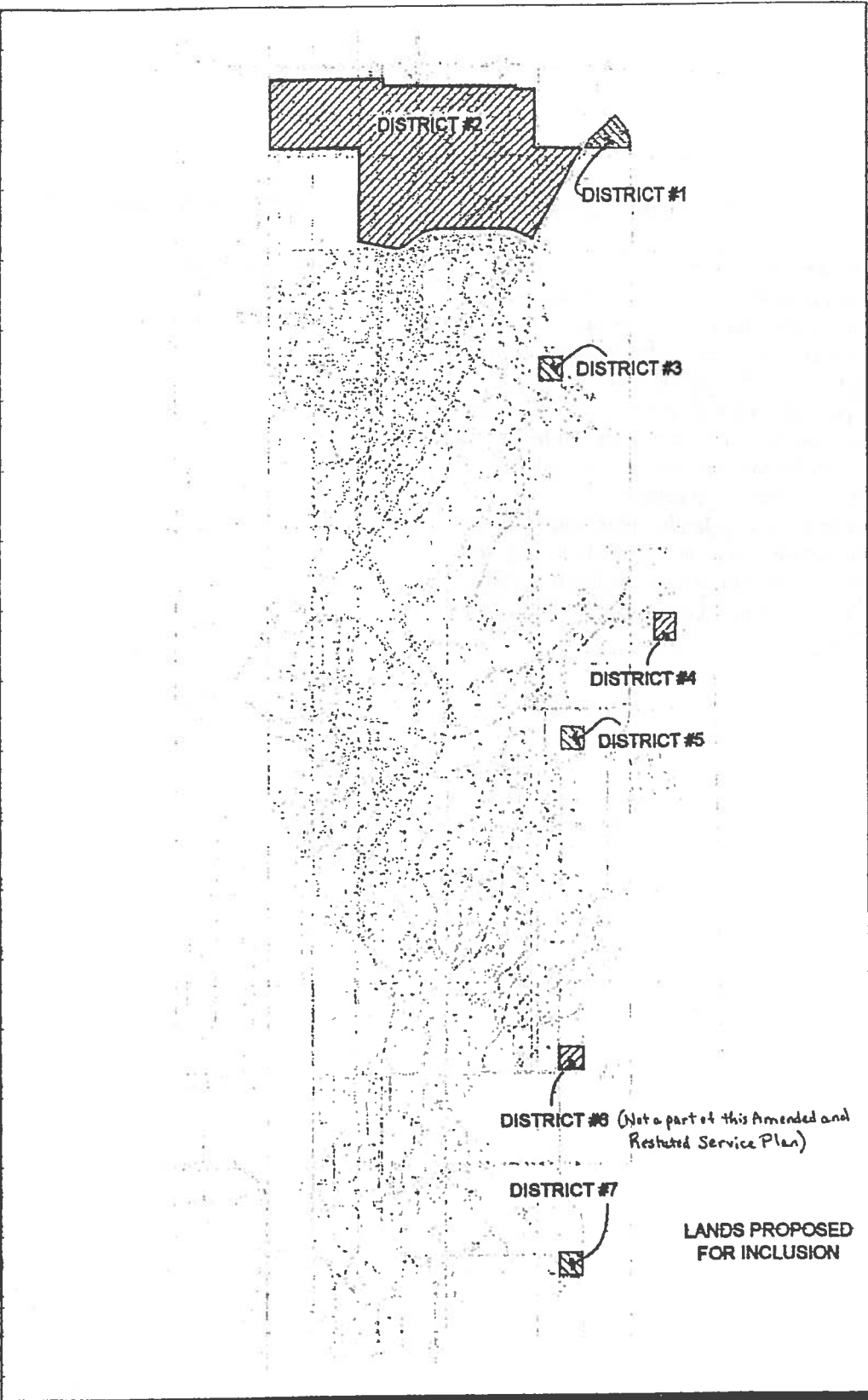






VICINITY MAP - NTS





**Exhibit E**

**NOTICE OF SPECIAL DISTRICT DISCLOSURE**

**(to be provided to every purchaser of real property within the boundaries of the District)**

Name of District(s):	Banning Lewis Ranch Metropolitan Districts No. 1 – 5 and 7. District Nos. 1 – 5 are residential districts. District No. 7 is a commercial district.
Contact Information for District:	Grimshaw & Haring, P.C. Attn: Matt Dalton 1700 Lincoln Street, Suite 3800 Denver, CO 80203 (303) 839-3800 (main line) (303) 839-3838 (fax)
Type of Districts:	Metropolitan districts organized pursuant to C.R.S. 32-1-101 <i>et seq.</i> The Districts will provide limited operating and maintenance of certain Public Improvements within the Project, which operations and maintenance functions may be provided through intergovernmental agreements
Identify Districts' Improvements Financed by Proposed Bonds:	Road improvements On and off-site utilities, including water and wastewater improvements Recreational facilities and park improvements, including entry parks, neighborhood parks, pocket parks, trail system, and community recreation centers Landscaping within public right-of-way
Identify Services/Facilities Operated/Maintained by Districts:	Park and recreation related improvements, maintenance of landscaping within public right-of-way, including but not limited to street trees and streetscape improvements, the provision of covenant control and enforcement services to the extent such covenant control functions are not provided by property owners associations within the Project.
Mill Levy Cap: <i>(Note: This District may or may not be certifying a mill levy at the time of your purchase. Please verify by contacting the District.)</i>	Residential Districts: Maximum Debt Mill Levy = thirty (30) mills. Maximum Operating Mill Levy = twenty (20) mills. Commercial District: Maximum Debt Mill Levy = fifty (50) mills. Maximum Operating Mill Levy = twenty (20) mills.  If there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitations set forth above may be increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2007, are neither diminished nor enhanced as a result of such changes.
Authorized Debt of the District(s) per Service Plan:	\$400,000,000.00 but limited to what may be financed by the Maximum Debt Mill Levy applicable to each District.
Voter Authorized Debt per Election:	\$400,000,000.00 (District No. 3, \$100,000,000; District No. 4, \$100,000,000; District No. 5, \$100,000,000; District No. 7, \$100,000,000).
District Boundaries:	See attached legal description and map