MEMORANDUM

TO:	KEVIN WALKER, DIRECTOR, CITY PLANNING DEPARTMENT
FROM:	REBECCA HARRIS, GOLD HILL MESA METROPOLITAN DISTRICT NO. 1 MANAGER
SUBJECT:	DISTRICT DISSOLUTION
DATE:	NOVEMBER 18, 2025
CC:	BOARD OF DIRECTORS
	LEGAL COUNSEL – Pete Susemihl

This memorandum provides an overview of the formation, purpose, and operational history of Gold Hill Mesa Metropolitan District No. 1 ("District No. 1") and outlines the reasons the Board is pursuing dissolution at this time. The District has fulfilled the limited functions it was originally intended to perform, no longer provides any meaningful services, and has no residents, no ongoing operations, and no remaining obligations within the overall Gold Hill Mesa service plan structure.

Gold Hill Mesa Metropolitan District No. 1 has fulfilled the limited role it was designed to serve and has no future operational purpose. Dissolving the District is a responsible, logical, and efficient course of action that reduces administrative overhead and supports a clearer, more streamlined district structure for Gold Hill Mesa.

I. Background and Formation

Gold Hill Mesa Metropolitan District No. 1 was established as part of the original Gold Hill Mesa Service Plan, approved by the City of Colorado Springs. The service plan contemplated a multi-district structure, in which each district within the hierarchy had specific roles:

District No. 1 was intended to function as an administrative/oversight district, primarily responsible for coordinating financing, authorizing intergovernmental agreements, and supporting the operations of the residential and commercial districts. District No. 2 has taken on this role starting 2024. This district was not created as a residential district, and therefore has never had electors residing within its boundaries. Its governance has instead been maintained solely by property-qualified board members.

Districts No. 2 was intended to be the operational and debt funding district, responsible for providing the actual services to property owners within the community, and fund the costs associated with public infrastructure.

II. Operational History

Over time, as development progressed at Gold Hill Mesa, the operational and financial responsibilities originally contemplated for District No. 1 were shifted to Districts No. 2 and never needed, as the structure of the development evolved.

Specifically:
- District No. 1 does not levy taxes or assessments.

- It holds no debt, has no active capital projects, and maintains no infrastructure.
- It has no residents, no service responsibilities, and no remaining administrative functions that are not already performed by other districts in the Gold Hill Mesa metropolitan district structure.

As a result, District No. 1 has been functionally dormant, aside from the minimal statutory requirements to maintain a board, hold meetings, and file compliance documents.

III. Rationale for Dissolution

The Board is seeking dissolution because District No. 1:

- Serves no remaining governmental purpose
- The original administrative role is no longer needed, and all required operational functions for the community are effectively handled by other Gold Hill Mesa districts.
- Has no residents and no service demand
- Without electors, there is no need for an administrative district to remain in existence. Dissolution aligns with the original service plan intent once District No. 1's limited oversight role was no longer necessary.
- Reduces administrative burden and cost
- Even a dormant district requires:
  - Annual board meetings
  - Transparency and compliance filings
  - Legal and management oversight
- Simplifies the overall governance structure
- Eliminating a district that no longer serves a functional purpose clarifies the governance framework for the other Gold Hill Mesa districts and the City of Colorado Springs.
- Follows statutory authority and best governance practices
- Colorado law permits dissolution when a district has:
  - No debt
  - No residents
  - No remaining obligations

District No. 1 meets all dissolution requirements.