

CONSOLIDATED SERVICE PLAN

FOR

VILLA BELLA METROPOLITAN

DISTRICT NOS. 1-3

Prepared
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I. INTRODUCTION

A. General Overview.

This Consolidated Service Plan (the “Service Plan”) is submitted pursuant to the Special District Control Act (the “Act”) (Section 32-1-101, *et seq.*, of the Colorado Revised Statutes) for the proposed set of metropolitan districts to be called Villa Bella Metropolitan District Nos. 1-3 (individually referred to as “District” or collectively referred to as the “Districts”) within the boundaries of the City of Pueblo, Colorado (“Pueblo” or the “City”). A legal description and boundary map of the Coordinating District are contained in **Exhibit A-1** to this Service Plan. A vicinity map showing the location of the Coordinating District is contained in **Exhibit B** to this Service Plan.

The Service Plan constitutes a combined service plan for three Title 32 metropolitan districts within the boundaries of the City. The Districts, when organized, will serve the needs of a proposed 562-acre community to be known as Villa Bella (hereinafter referred to as the “Project”). Additionally, a future inclusion area of approximately 188-acres adjacent to Villa Bella and the Walking Stick Vista Subdivision (near the Walking Stick Golf Course) is designated as a “Future Inclusion Area” that is anticipated to be included into one or more of the Districts in the future. The Districts are intended to be 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 manner from the requirements of this Service Plan.

The Districts are generally located generally North of Colorado 47 and West of Beculite Mesa Road. The property within the Districts are within territories also known or formerly within the Thunder Village Metropolitan District and the Villa Bella subdivision. The Districts initial boundaries referred to as Villa Bella will include approximately 562 acres with proposed expansion areas of approximately 188 acres of future inclusion property (Walking Stick Vistas) to be included in District Nos. 1-3 in the future (“Future Inclusion Area”). The total combined area of approximately 750 acres of property (“Service Area”) is expected to be divided into several development areas planned for development of residential areas. All of the property within the Districts has been annexed to the City.

The property within the respective boundaries of the Districts shall be subject to the ordinances, rules and regulations of the City, Annexation and Development Agreements with the City, and the approval of this Service Plan shall not be construed as representing approval of any alteration or amendment by the City of any such ordinances, rules, regulations or the Annexation Agreements. The Annexation and Development Agreements contemplate the formation of special districts to provide funding and construction of public infrastructure, facilities, improvements and amenities proposed to be constructed, acquired, financed and installed within this Project (the “Public Improvements”). All of the property

within the Districts' boundaries is subject to all of the City's current ad valorem property and sales taxes and to any future amendments thereof.

Certain assumptions are made in this Service Plan regarding number and type of residential units. Although, initial projections of 2,500 single family units have only been provided for the initial 562 acres. The actual composition and distribution of future development shall be as determined in accordance with subsequent development approvals to be sought from the City, and nothing in this Service Plan shall be construed as the City's approval of such matters.

The primary purpose of the Districts is to provide a part or all of the Public Improvements for the Project for the use and benefit of all anticipated inhabitants and taxpayers of the Districts and in a manner consistent with City-approved development plans. Most of the Public Improvements will be dedicated to the City. The Districts will have the power to operate and maintain certain improvements not dedicated to the City or other governmental entities including, but not limited to park and recreation facilities and improvements, trails and monumentation, gatehouses, landscaping and other public improvements and amenities. The types of Public Improvements that are anticipated to be provided for by the Districts shall include the types of facilities and improvements generally described in Section III, consisting of wastewater systems, storm drainage facilities, water systems, streets and roadways, traffic and safety facilities, park and recreation facilities, and mosquito/pest control.

The Districts are being organized to serve as a method by which development can occur in the City in such a way as to eliminate economic risk to the City, provide economic benefits to property owners, and place the risk of development on property developers.

The Financing Plan discussed herein has been designed to assure that at no time will the City have any legal responsibility for any of the Districts' obligations. This Service Plan is designed to assure that the risk of development remains with the developer until a sufficient tax base has been achieved to pay the Districts' debt with reasonable mill levies.

This Service Plan has been prepared with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances to meet the needs of the community. While the assumptions upon which this Service Plan are generally based are reflective of the current zoning for the property within the Districts, the cost estimates and the Financing Plan are sufficiently flexible to enable the Districts to provide necessary services and facilities without the need for repeated amendments to the Service Plan. Modification of the proposed configuration of improvements, scheduling of construction of such improvements, as well as the locations and dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with zoning and future development approvals for the property.

Considerable public infrastructure will be constructed to provide the Public Improvements necessary for the Project. This Service Plan addresses the Public Improvements that will be provided by the Districts and demonstrates how the Districts will work cooperatively to provide the necessary Public Improvements. All Exhibits referred to herein are attached to the end of this Service Plan.

1. Multiple District Structure. This Service Plan is submitted pursuant to the requirements of the Special District Control Act § 32-1-101, et seq., C.R.S. (the “Act”). The use of a consolidated Service Plan for the Districts assures proper coordination of the powers and authorities of the independent Districts, and will help avoid confusion regarding the separate, but coordinated, purposes of the Districts which could arise if separate service plans were used. Unless otherwise specifically noted herein, general provisions of this Service Plan apply to all of the Districts. Where possible, however, specific reference is made to an individual District to help distinguish the powers and authorities of each District.

It is anticipated that the Districts, collectively, will undertake the financing and construction, maintenance and operation of the Public Improvements. Villa Bella Metropolitan District No. 1 shall be referred to as the “Coordinating District” and Villa Bella Metropolitan District Nos. 2-3 shall be referred to as the “Financing Districts.” This structure is intended to provide for the fair and equitable allocation of public infrastructure improvements and services among the property within the Project.

The Financing Plan discussed in Section VII refers to a preliminary financial plan for the Districts which is intended to be read as a unified Financing Plan which may be used for Public Improvements for the Project. The Coordinating District is responsible for managing the construction and operation of facilities and improvements needed for the Project. The Financing Districts are responsible for providing the funding and tax base needed to support the Financing Plan. Various agreements will be executed by the Districts clarifying the nature of the functions and services provided by each District. The agreements are designed to help assure the orderly development of essential services and facilities, resulting in a community, which will be both an aesthetic and economic asset to the City.

The Coordinating District shall be authorized to provide Public Improvements, facilities, and services to and for the benefit of the entire area of the Project, including but not limited to acquisition of completed improvements pursuant to the Service Plan. The Coordinating District will be responsible for managing the construction, installation, acquisition, and operation of facilities and Public Improvements for the Project as well as coordinating the financing and management of the public facilities and services as approved by the City throughout the Project. Each Financing District will be authorized to provide improvements and services, including but not limited to acquisition of completed improvements, to the property within and without their respective legal boundaries, as they may be amended from time to time. The Financing Districts will be

responsible for producing property tax and other revenue sufficient to pay the costs of operations and debt service expenses incurred for the Public Improvements, until such obligations are discharged, creating mutual benefits for the Project and the City. The Coordinating District will have power to impose taxes only within its legal boundaries, but will be permitted to impose fees and charges in all or any portion of the area within the Districts, as well as to property outside of the Districts based upon services provided to such property, subject to the limitations provided in this Service Plan.

The Districts shall be entitled to change the configuration of their internal boundaries, without changing the total acreage of the Project or reconfiguring the Districts' Service Area, as their Boards of Directors may deem necessary. Any such internal reconfiguration shall be submitted to the City Manager. In no event shall any District include into its legal boundaries any property not located within the corporate limits of the City at the time of inclusion. All changes in the Districts' boundaries must be made in compliance with the Act.

2. Benefits of Multiple District Structure. The multiple district structure offers significant benefits both to the City and the Project, including future property owners. In general, those benefits are: (a) coordinated administration of construction and operation of public improvements, and delivery of those improvements in a fashion that supports the orderly development of the Project; (b) avoiding the issuance of debt prematurely; (c) creating a means for the fair and equitable allocation of costs of public infrastructure across the Project; and (d) assured compliance with state laws regarding taxation in a manner which permits the obtaining the benefits of issuance of tax exempt financing at low interest rates. These benefits are addressed further below:

a. Coordinated Services. Development of the Project will proceed in several phases, each of which requires the extension of public services and facilities. The multiple district structure assures that the construction and operation of each phase of public facilities is primarily administered by in accordance with a long-term construction and operations program. This is consistent with "best practices" in the development industry involving projects with a long-term development horizon. Use of the Coordinating District as the entity responsible for construction of each phase of improvements and for management of operations will facilitate a well-planned financing effort through all phases of construction and assists in assuring coordinated extension of services.

b. Avoids Premature Debt Issuance. The multiple district structure helps assure that facilities and services needed for future build-out of the Project will be provided when they are needed, and not sooner. Projects that do not utilize multiple districts may be motivated to issue debt prematurely, since the prospect of loss of control over decision making exists.

c. Equitable Debt Allocation. Allocation of the responsibility for paying debt for capital improvements will continue to be managed through development

of a unified financing plan for those improvements and through development of an integrated operating plan for long-term operations and maintenance. Use of the Coordinating District to manage these functions helps assure that no area within the Project becomes obligated for more than its share of the costs of capital improvements and operations. Low-density areas will not bear a disproportionate burden of debt and operating costs, nor will high valued areas bear disproportionate burdens. Intergovernmental agreements between the Districts will assure that mill levies remain equitable throughout the Project.

d. Bond Interest Rates. The use of the Coordinating District and/or the Financing Districts to issue bonds to provide for the cost of infrastructure in the Project will allow for the issuance of bonds at competitive interest rates. The combination of appropriate management, controlled timing of financing and the ability of the Districts to obtain attractive interest rates will benefit residents and property owners.

3. Initial Boundaries/Expansions. In order to implement the multiple district structure, the boundaries of the Coordinating District and the Financing Districts were configured to approximate the current plan for phases of development.

The Initial District Boundaries of District Nos. 1-3 consists of approximately 562 acres. Legal descriptions and maps of the boundaries of each of District Nos. 1-3 are attached in **Exhibit A-1**. The Developer has an option to purchase the balance of the property to be contained within the legal boundaries of the Districts, identified as the Future Inclusion Area, which consists of approximately 188 acres of land. Accordingly, the initial boundaries of the Districts will be expanded and adjusted via the inclusion/exclusion process to incorporate the balance of the property being acquired by the organizers in this manner. The legal description and map of the expanded boundaries of the Future Inclusion Area as they are expected to exist following the purchase of the balance of the property by the Developer are attached in **Exhibit A-2**. The combined acreage of the Future Inclusion Area is expected to be contained within the District Nos. 1-3. Following acquisition of all of the property proposed to be included within the Districts, the combined area of the Districts is expected to consist of approximately 750 acres (the “Combined Area”). Such Combined Area is depicted in the vicinity map attached hereto as **Exhibit B**.

At build out, the assessed valuation of the initial area boundaries of District Nos. 1-3 is expected to be sufficient to reasonably discharge the Debt as demonstrated in the Financial Plan. The population of District Nos. 1-3 at build out is currently estimated to be approximately 7,500 persons based upon an approximation of 3.0 persons per residence for 2,500 residential units. Additional units and population increases are expected once the future inclusion area is included within the districts and approved development plans of the City are received.

4. Future Consolidation/Dissolution of Districts. Upon an independent determination by the City Council that the purposes for which the Districts were created have been accomplished, the Districts shall file petitions in the appropriate District Court

for consolidation or dissolution in accordance with the applicable State statutes. In no event shall dissolution occur until the Districts have provided for the payment or discharge of all of their outstanding indebtedness or other financial obligations as required pursuant to State statutes. Additionally, the Coordinating District and the Financing Districts shall consider consolidation at the time each District's debt or other financial obligations have been paid.

Following completion of construction of the improvements provided for in this Service Plan, the dedication of applicable improvements to other governmental entities, the repayment or discharge of all of the Districts' outstanding indebtedness and other financial obligations as required by statute, and the assignment or assumption of all operating and maintenance responsibilities for the Districts improvements to other entities or owners' associations and at such time as the Districts do not need to remain in existence to discharge their financial obligations or perform their services, the electorate of the Districts will consider either the consolidation of the Coordinating District and the Financing Districts into a single entity, or the dissolution of Financing Districts in accordance with state law at the time each District's debt has been paid and adequate provision has been made for operation of all District facilities and improvements.

It is currently planned that the Coordinating District or some form of consolidated Financing and Coordinating District will continue in perpetuity to maintain the signage, greenbelts and open spaces, parks and recreation facilities, certain regional trails, and storm drainage facilities not otherwise dedicated to the City or another public entity, maintenance facilities, landscaping and covenant enforcement for the Districts.

Upon the City Council's application with the Districts' Boards to dissolve the Districts pursuant to Title 32, Article 1, Part 7, C.R.S., as amended from time to time, the Districts' Boards shall, promptly and in good faith, take the necessary steps either consolidate or dissolve the Districts in accordance with state statutes. One or more of the Districts, including the Coordinating District will be allowed to continue for ownership, operations and maintenance of the District amenities or other public improvements not otherwise dedicated to the City and shall be allowed to retain those powers necessary to impose and collect taxes or fees to pay for the costs and functions permitted by this Service Plan or intergovernmental agreement with the City.

5. Existing Services and Districts. There are currently no other entities in existence in the undeveloped portion of the Project area, which have the intent, ability and/or desire to undertake the design, financing and construction of improvements needed for the community. Consequently, use of the Districts is deemed necessary for the provision of Public Improvements in the Project. The Districts are not overlapped by any other existing special districts.

B. Contents of Service Plan.

This Service Plan consists of a preliminary financial analysis and preliminary capital plan showing how the facilities and services for the Project are expected to be provided and how those facilities can continue to be provided and financed by the Districts. Numerous items are included in this Service Plan in order to satisfy the requirements of law for formation of special districts. Those items are listed in **Exhibit E** attached hereto. This Service Plan satisfies each of these requirements of law. The assumptions contained within this Service Plan were derived from a variety of sources. Information regarding the present status of property within the Districts, as well as the current status and projected future level of similar services, was obtained from the organizers. Capital projections for public improvements and facilities were provided by M&S Civil Engineering Services. Piper Sandler provided the Financial Plan. Legal advice in the preparation of this Service Plan was provided by the law firm of Collins Cockrel & Cole, P.C., which represents numerous special districts.

C. Modification of Service Plan.

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities for the Project under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of current zoning for the property within the Project, the cost estimates and the Financing Plan are sufficiently flexible to enable the Districts to provide necessary services and facilities without the need to amend this Service Plan. Modification of the general types of services and facilities, as well as changes in proposed configurations, locations, or dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with then-current zoning for the Project.

II. NEED FOR DISTRICTS AND GENERAL POWERS

A. Need for Metropolitan Districts.

In order to establish compliance with the standards for Service Plan approval set forth in §32-1-203(1), C.R.S., the following information is presented:

1. There is Sufficient Existing and Projected Need for Organized Service. The Financing Plan projects a total of 2,500 single/multi-family units and amenities to be constructed within the area served by the Districts between 2022 and 2034 for the initial district boundaries, representing a projected population of approximately 7,500 persons (estimated at 3.0 person per residential unit). Accordingly, the demand for the services and facilities to be provided by the Districts is demonstrable.

2. The Existing Service in the Area to be Served is Inadequate for Present and Projected Needs/Adequate Service Through Other Governmental Entities Will

Not Be Available Within a Reasonable Time and on a Comparable Basis. The facilities and services to be provided by the Districts will not be provided by any county, municipal or quasi-municipal corporations, including existing special districts. Neither the City nor any existing special district plans to provide the facilities required for the development of the Project. Therefore, provision of facilities will not be available through other institutions.

3. The Districts are Capable of Providing Economical and Sufficient Service/The Districts Will Have the Financial Ability to Discharge Proposed Indebtedness on a Reasonable Basis. The Districts are necessary in order to provide the most economical and efficient means of ownership and operation of essential improvements to serve existing and future residents within their respective boundaries. The Financing Plan attached as Exhibit C demonstrates the feasibility of providing the Public Improvements and services proposed herein on an economical basis, and the ability to discharge the proposed indebtedness on a reasonable basis. The formation of the Districts will facilitate the financing of the proposed public improvements at least cost, as the Districts will have access to tax-exempt financing that is not available to private entities.

4. The Creation of the Districts is in the Best Interests of the Area to be Served/Multiple District Structure. The matters described in items 1 through 3 of this Section establish that the creation of the Districts is in the best interests of the area to be served, in that they establish a demand for public improvements that will otherwise be unmet by other governmental entities and offer the advantage of obtaining public financing to fund these improvements. In addition, the use of a multiple district structure is beneficial, as it permits: a) the phasing of improvements to occur according to logical development modules, resulting in a more specific association of cost with benefit and less incentive to initiate public improvements programs too far in advance of development; b) the ability to arrange for delivery of public infrastructure in a manner that will conform to the approved development plans that will be associated with the Project in the future, thus permitting development of the Project in accordance with City expectations; and c) maintenance of a reasonably uniform mill levy and fee structure through coordinated planning and financing for construction of Public Improvements.

B. General Powers of Districts.

Each District will continue to have power and authority to provide the services and facilities described in this Service Plan both within and outside their boundaries in accordance with Colorado law. If after the Service Plan is approved, the State Legislature includes additional powers or grants new or broader powers for Title 32 districts by amendment of the Special District Act, to the extent permitted by law any and all such powers shall be deemed to be a part hereof and available to be exercised by the District upon execution of a written agreement with City Council concerning the exercise of such powers in the sole discretion of the City Council. Execution and performance of such agreement by the District shall not constitute a material modification of the Service Plan

by the District. The powers and authorities of each District will be allocated and further refined in a Master Intergovernmental Agreement (“Master IGA”) between the Districts. For purposes of the Act, the Master IGA shall not constitute an amendment of this Service Plan. It will constitute a binding agreement between the Districts regarding implementation of the powers contained in this Service Plan. The following is a list of those general powers and authorities authorized by the Act and this Service Plan:

1. Sanitation and Storm Drainage. The design, financing, acquisition, installation construction and operation and maintenance of storm or sanitary sewers, or both, sanitary sewer treatment and/or disposal facilities, flood and surface drainage improvements including but not limited to, collection lines, culverts, dams, retaining walls and appurtenances, and other natural or man-made drainage facilities, access ways inlets, channels, disposal works and facilities, solid waste disposal facilities or waste services, systems, facilities and methods for collection and transportation of solid waste, detention ponds and paving, roadside swales and curb and gutter, wastewater lift stations, force mains and wetwell storage facilities, and all necessary or proper equipment and appurtenances incident thereto, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems within and without the boundaries of the Districts, but not outside the boundaries of the City without the approval of the City.

2. Water. The design, financing, acquisition, installation and construction of a complete water and irrigation water system, including but not limited to, water rights, water supply, treatment, transmission and distribution systems for domestic and other public or private purposes, together with all necessary and proper water rights, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, hydrants, storage tanks and reservoirs, storage facilities, wells, pumping facilities, and all necessary equipment and improvements, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the City without the approval of the City.

3. Non-Potable Water. The design, financing, acquisition, installation and construction of an irrigation water system, including, but not limited to, water rights, water supply, storage, transmission and distribution systems for public or private purposes, together with all necessary and proper reservoirs, and facilities, wells, water rights, equipment and appurtenances incident thereto which may include but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to said facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the City without the approval of the City.

4. Streets. The design, financing, acquisition, installation, construction, operation, and maintenance of arterial street, collector and local streets, and other roadway improvements, including but not limited to curbs, gutters, culverts, storm sewers and other drainage facilities and systems, including without limitation lines, channels, detention ponds, retaining walls and appurtenances, and other natural or man-made drainage facilities, as well as sidewalks, bridges, pedestrian underpasses and tunnels, parking facilities, paving, lighting, grading, landscaping, entry features and facilities, undergrounding of public utilities, snow removal equipment, or tunnels, snow storage, and other street improvements, together with all necessary, incidental, and appurtenant facilities, land and easements, extensions of and improvements to said facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the City without the approval of the City.

5. Traffic and Safety Controls. The design, financing, acquisition, installation, construction, operation, and maintenance of traffic and safety protection facilities and services through traffic and safety controls and devices on arterial streets and highways, environmental monitoring, and rodent and pest controls necessary for public safety, as well as other facilities and improvements, including but not limited to, main building entrances, access gates, guard shack, street lighting and signage, signalization at intersections, railroad crossings, street and pedestrian crossings, traffic signs, area identification signs, directional assistance, and driver information signs, and security systems and services, together with all necessary, incidental, and appurtenant facilities, land easements, and all necessary extensions of and improvements to said facilities and systems within and without the boundaries of the District, but not outside the boundaries of the City without the approval of the City.

6. Parks and Recreation. The design, financing, acquisition, installation, construction and maintenance of public park and recreation facilities and/or provision of passive, non-athletic recreational programs including, but not limited to, grading, soil preparation, sprinkler systems, playgrounds, playfields, bike and hiking trails, pedestrian and equestrian trails, pedestrian bridges, neighborhood parks, greenbelts, picnic areas, swimming pool facilities, lakes, open spaces, common area landscaping and weed control, outdoor lighting of all types, pedestrian underpasses and tunnels, urban plazas, golf courses, club houses and community event centers and other recreation facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems within and without the boundaries of the District, but not outside the boundaries of the City without the approval of the City.

7. Mosquito and Pest Control. The design, financing, acquisition, installation, construction, operation, and maintenance of systems and methods for the elimination and control of mosquitoes, rodents and other pests.

8. Security Services. Subject to compliance with the provisions of § 32-1-1004(7), C.R.S., the design, financing, acquisition, installation, construction, operation and maintenance of security services including, but not limited to, perimeter and interior scheduled security patrols, construction of safety barriers or similar protective measures, establishment of rules of conduct for residents and visitors, acquisition of security equipment, protection of the Districts' property from unlawful damage or destruction, together with any and all other security measures which may be necessary or appropriate to the orderly conduct of the affairs of the Districts and for the protection of the health, safety, and welfare of the Districts' residents, taxpayers, officers, and employees, inclusive of the general public in connection therewith. Such security services are not intended to replace law enforcement provided by the City and/or County, rather these security services are intended to supplement and provide additional safety and protection of the Districts' residents, property and facilities.

9. Covenant Enforcement and Design Review. Subject to compliance with the provisions of § 32-1-1004(8), C.R.S., the ability to prepare, implement and enforce design and development guidelines, rules and regulations, or similar protective controls regarding all construction activities within the Districts' boundaries, including but not limited to, architectural standards for the design, construction, erection, placement or installation of new structures or modification of existing structures within the Districts' boundaries.

10. Fire Protection and Emergency Services. The financing, design, acquisition, installation and construction of fire protection and emergency facilities including, but not limited to, fire stations, fire hydrants, as well as other necessary apparatuses, associated equipment, related facilities and improvements, together with all necessary, incidental, and appurtenant facilities, land easements, extensions of, and improvements to said facilities.

11. Legal Powers. The powers of the Districts will be exercised by their Boards of Directors to the extent necessary to provide the services contemplated in this Service Plan. The foregoing improvements and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act (§ 32-1-201, et seq., C.R.S.), other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

12. Other. In addition to the powers enumerated above, the Boards of Directors of the Districts shall also continue to have the following authority:

a. Plan Modifications. To amend this Service Plan as needed, subject to the appropriate statutory procedures provided that any material modification of this Service Plan shall be made only with the approval of the City Council in accordance

with § 32-1-207, C.R.S., and after obtaining a resolution of approval from the City Council; and

b. To forego, reschedule, or restructure the financing, including the security therefore, and/or the operation and maintenance of improvements and facilities in order to better accommodate the pace of growth, resource availability, and financial interests of property of the Districts; and

c. Phasing, Deferral. Without modifying this Service Plan, to defer, forego, reschedule, or restructure the financing and construction of certain improvements and facilities, to better accommodate the pace of growth, resource availability, and potential inclusions of property within the Coordinating District.

d. Additional Services. Except as specifically provided herein, to provide such additional services and exercise such powers as are expressly or impliedly granted to special districts by Colorado law, including but not limited to those powers delineated in Section 32-1-1004, C.R.S., as the same may be amended from time to time.

e. Subdistricts. With the prior consent of City Council, the Coordinating District shall have the authority pursuant to Section 32-1-1101(1)(f)(I), C.R.S. and Section 32-1-1101(1.5)(a) through (1.5)(e), C.R.S., to divide the Coordinating District into one or more areas consistent with the services, programs and facilities to be furnished therein.

f. Special Improvement Districts. With the prior consent of City Council, the Coordinating District shall be authorized to establish special improvement districts within the Service Area as provided in Section 32-1-1101(1)(g), C.R.S.

g. Enterprises. The Coordinating District's Board may set up enterprises to manage, fund, and operate such facilities, services, and programs as may qualify for enterprise status using the procedures and criteria provided in Article X, Section 20, Colorado State Constitution. To the extent provided by law, any enterprise established by the Coordinating District's Board will remain under the control of the Coordinating District's Board.

h. To exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the Boards of Directors of the Districts, except as limited hereby and pursuant to the Intergovernmental Agreement to be executed between the Districts and the City, attached as **Exhibit F**.

III. DESCRIPTION OF FACILITIES AND IMPROVEMENTS

The Coordinating District and Financing Districts are permitted to exercise their statutory powers and their respective authority set forth herein to finance, construct, acquire, operate and maintain the public facilities and improvements described in Section II of this Service Plan, either directly or by contract. Where appropriate, the Districts may contract with various public and/or private entities to undertake such functions.

The diagrams contained in the Exhibits to this Service Plan show the conceptual layouts of the public facilities and improvements described in this Section III. Additional information for each type of improvement needed for the Project is set forth in the following pages. It is important to note that the preliminary layouts contained in the exhibits are conceptual in nature only, and that modifications to the type, configuration, and location of improvements will be necessary as development proceeds. The following sections contain general descriptions of the contemplated facilities and improvements that will be financed by the Financing Districts. The general descriptions of improvements set forth in this Service Plan, as well as the cost estimates provided, are preliminary and will be subject to modification and revision by the Districts without the need for an amendment to this Service Plan, as necessary or appropriate based on development plans or approvals, engineering, financial factors, City requirements and construction scheduling. Improvements not specifically described herein shall be permitted as long as they are generally identified in this Service Plan and/or expressly or impliedly granted by Colorado law. As shown in **Exhibit D**, the estimated, uninflated cost of the public improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed by the Districts is approximately \$98,017,917 for the initial 562 acres, inclusive of engineering and construction contingencies, but exclusive of other soft costs and all costs of issuance, including but not limited to bond issuance expenses, debt service reserves, capitalized interest, underwriter's discount, legal fees, as well as organizational costs. Notwithstanding the cost estimate allocations among particular categories of improvements, the Districts shall be permitted to reallocate costs among such categories of improvements as necessary to best serve the Project.

As shown in the Preliminary Infrastructure Plan for District Nos. 1-3 attached hereto as **Exhibit D** and incorporated herein by reference, the estimated cost of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed by the Districts is approximately \$98,017,917 in the aggregate for all of District Nos. 1-3 estimated public improvements and amenities projected for the initial 562 acres of property within **Exhibit D**.

A. General.

Construction of all planned facilities and improvements will be scheduled to allow for proper sizing and phasing to keep pace with the need for service. All descriptions of the specific facilities and 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.

B. General Design Standards/Dedication/Operations.

It is planned that all Public Improvements that will not be owned, operated, and maintained by the Districts shall be dedicated to either the City or other governmental entities for ownership, operations and maintenance. Those Public Improvements which

will be dedicated to the City will be designed and constructed in accordance with standards adopted by the City. Any Public Improvements that are to be dedicated to other governmental entities will be designed and constructed in accordance with the standards of such entities, provided that any wastewater treatment facilities constructed by the Districts may only be dedicated to the City for operations and maintenance. The Districts shall be authorized to operate and maintain Public Improvements until such time as they are dedicated to the City or other governmental entity. Any Public Improvements not accepted by the City or other appropriate governmental entity for ongoing ownership, operations and/or maintenance, shall be owned, operated and/or maintained by the Districts. The timing for conveyance of Public Improvements to the City will be determined by mutual agreement between the Coordinating District and the City.

C. Wastewater System.

All major elements of the sanitary sewer improvements required for the Project are expected to be designed, and installed by the Coordinating District.

D. Storm Drainage.

1. Generally. The Coordinating District is expected to install the necessary storm drainage system to serve the property within the Districts. The proposed elements of the storm drainage system will provide a network of culverts, roadside swales, pipes, detention and water quality ponds, inlet and outlet structures, and curbs and gutters designed and installed in accordance with applicable City standards and sound engineering judgment.

2. Culverts. Culverts will be installed as appropriate. Culverts will be designed and constructed to pass flows as required by City standards, and may include headwalls, wing walls, inlet and outlet structures, and riprap protection to enhance their hydraulic capacity and reduce bank or channel erosion.

E. Water System.

1. Overall Plan. The water system is planned to consist of potable and irrigation water distribution systems consisting of buried water mains, fire hydrants, and related appurtenances located predominately within the Districts' boundaries. The final configuration of the water systems is yet to be designed. When design and construction are finalized, the system will serve each development tract from adjacent streets and roads. All major elements of the water facilities are expected to be designed and installed by the Coordinating District.

2. Design Criteria. The proposed domestic potable water distribution system and the irrigation water system are expected to include pressurized water mains with multiple pressure zones. Water system components will be designed and installed in

accordance with City standards and the applicable standards of the Coordinating District. The water system will also be designed based on applicable fire protection requirements. Certain water facilities may, pursuant to an agreement between the Districts, be dedicated to the City as appropriate and in accordance with approved development plans; those facilities so dedicated shall be designed and installed in accordance with the applicable standards of the City. Certain water facilities may, pursuant to an agreement with the City be dedicated to the City.

F. Street System and Traffic Safety.

1. General. Anticipated improvements include but are not limited to, design, construction and/or acquisition of an entire public street system and associated street furnishings, landscaping and amenities within the Districts. Pedestrian-oriented streets, such as those planned for portions of the Districts, contain a high concentration of public amenities (lighting, furnishings, special paving and curb treatments, enhanced landscaping, public art, etc.). Street improvements will be constructed in dedicated public rights-of-way or on land owned in fee by the City. Typical elements may include:

- a. Grading;
- b. Street, curb, sidewalk and storm inlet construction;
- c. Street trees, tree grates, tree lawns, hedges, other forms of landscaping and irrigation systems;
- d. Street and pedestrian lighting and electrical service to serve this lighting;
- e. Street furnishings such as benches, bike racks, trash receptacles, poles, signage and newspaper vending machine corrals; and
- f. Railroad crossings and safety signs/signalization, pedestrian crossings, traffic signs, area identification signs, directional assistance, and driver information signs.

G. Signals and Signage.

Anticipated improvements include new traffic signals and controls associated with the new public streets within the Project. New traffic signals and associated electrical connections are anticipated along the major roadways within the Project. Traffic signage and controls (stop, yield, directional signage, etc.) will also be required along newly constructed public streets and at intersections throughout the site.

H. Parks and Recreation/Landscaping.

Landscaping may be installed along the roadway rights-of-way and trail easements. The Coordinating District expects to install and maintain landscaped highlights along the

internal streets and entry features at major entrances. Additional features may be installed and maintained by the developers of the individual parcels. All District open space tracts, trails, and park improvements shall be open and available to the general public and City citizens free of charge. City Trails and Regional 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. The Districts will coordinate with the City regarding the operation and maintenance of the City and regional trails and assist with the financing, construction, installation and operation and maintenance of the trails benefiting the Districts, their constituents and guests.

I. Mosquito and Pest Control.

The Districts shall be permitted to construct, acquire, install and otherwise provide various systems and equipment, as well as employ appropriate methods for the elimination and control of mosquitoes, rodents and other pests. To the extent practicable, the Districts shall work cooperatively with the City to ensure such efforts at mosquito and pest control are not duplicated by the City and the Districts.

J. Fire Protection.

The Districts expect to finance, construct, acquire and install fire protection facilities and equipment, including temporary and/or permanent fire stations and related structures, engine trucks, ladder trucks, and any and all other necessary apparatuses, associated equipment, materials, and facilities necessary for such facilities and equipment. Fire protection facilities and equipment shall conform to the standards of the City of Pueblo and any applicable Fire Protection District, to which such facilities and equipment are expected to be dedicated for ownership, operations and maintenance.

K. Estimated Cost of Facilities.

The estimated cost of the facilities to be constructed, installed and/or acquired by the Coordinating District are shown in Exhibit E attached hereto.

IV. DEVELOPMENT PROJECTIONS

Land use within the Project will be residential and commercial, and projection of the number and type of residential units, as well as projections of commercial development, are included within the Financing Plan.

V. PROPOSED AGREEMENTS

A. Master Intergovernmental Agreement.

As noted in this Service Plan, the relationship between the Coordinating District and the Financing Districts, including the means for approving, financing, constructing, and

operating the public services and improvements needed to serve the Project is established by the Master IGA. The Master IGA generally provides that the Financing Districts will pay to the Coordinating District over a period of years the costs of: (1) the construction, acquisition, and equipping of certain public facilities and services (including the cost of financing); and (2) the operation and maintenance of the facilities. The obligation to pay the amounts required under the Master IGA is a contractual general obligation debt of the Financing Districts subject to certain limitations.

Under the Master IGA, the Financing Districts have covenanted to levy the taxes necessary, together with other available funds, to meet the payment obligations set forth in the Master IGA. In return for the payment under the Master IGA, the Coordinating District agrees to: (1) acquire, construct and equip the facilities; (2) provide for their operation and maintenance; and (3) provide service to the property within the Districts or convey facilities to other appropriate entities that will provide service. The total obligation of the Financing Districts represented by the Master IGA is limited to the costs of construction and operations and maintenance as set forth in this Service Plan.

B. Other Agreements/Authority.

To the extent practicable, the Districts may enter into additional intergovernmental and private agreements to better ensure long-term provision of the improvements and services and effective management. Agreements may also be executed with property owner associations and other service providers. All such agreements are authorized pursuant to Colorado Constitution, Article XIV, § 18(2)(a) and § 29-1-201, *et seq.*, C.R.S.

VI. OPERATION AND MAINTENANCE COSTS

Estimated costs for operation and maintenance functions are presented within the Financing Plan attached as **Exhibit C** attached hereto. Additionally, the Districts shall have the power impose a system of rates, fees, tolls, penalties and charges for facilities and services provided, in accordance with Colorado law. The estimated revenues from such fees and charges are reflected in the Financing Plan discussed in the following section.

VII. FINANCING PLAN

A. Financing of Proposed Facilities and Services.

Initial estimates of anticipated costs of capital facilities, general administration, and operations of the Districts are set forth in the Financing Plan and are anticipated to be funded by the Coordinating District and/or the Financing Districts from a combination of property taxes and non-tax revenues as described below. The Districts may authorize, issue, sell, and deliver such bonds, notes, contracts, reimbursement agreements, or other obligations evidencing or securing a borrowing (collectively, “Obligations”) as are permitted by law. Obligations may be payable from any and all legally available revenues

of the Districts in any form or combination of forms that may be permitted by applicable law.

All or any portion of the proceeds of the Obligations issued may be used to fund such previously incurred expenses for Public Improvements via reimbursement to and/or acquisition from the entity advancing the costs for such improvements. Further, it is expected that the costs advanced for the organization and initial operations of the Districts will be similarly reimbursable to the entity advancing such costs. The Districts may also issue the Obligations directly to the organizers or other private party advancing funds or furnishing facilities on behalf of the Districts from time to time, to reimburse funds advanced and/or acquire facilities so constructed.

Notwithstanding the foregoing, the Districts shall not issue bonds to fund or make any payment to the organizers of the Districts, their affiliates, or to any other private party or entity advancing funds or furnishing public facilities which are to be dedicated to or used by the Districts or the City and their respective residents, to the extent the cost of any such public facility is paid or reimbursed to such entity or person pursuant to those certain Annexation and Development Agreements among the City of Pueblo and Lorson, LLC.

This limitation shall apply only to the expense being reimbursed pursuant to the Annexation and Development Agreements and shall not prevent the reimbursement to any person or entity, including, without limitation, the organizers of the Districts and their affiliates, for the purpose of reimbursing any other advance of funds or the furnishing of any public facilities. Other than with respect to the mill levy cap and Debt Limits (defined below), the Districts shall be permitted to modify the nature, amount, timing, structure, security enhancements, or type of financing used from that shown in the Financing Plan to respond to current needs and circumstances, such modifications not being considered a material modification of this Service Plan, as it applies to any individual District, or collectively to all the Districts.

The Financing Plan attached as **Exhibit C** sets forth certain assumptions, and estimated revenues, expenses, and debt service requirements with respect to each District. The Financing Plan contains one illustration of a financing structure by which the Public Improvements would be financed, including the estimated costs of engineering services, legal services, administrative services, proposed bond issuances, estimated maximum proposed interest rates and discounts, land or facilities to be acquired, and other major expenses relating to the organization and operation of the Districts. The Financing Plan is not intended to establish an additional limitation, but rather is one example of a financing that could be pursued. The amount of Debt issued, the mill levy pledged, the date of issuance, the term of the bonds and other information in the Financing Plan is intended to show one example of the Districts' ability to issue and repay Debt. The actual Debt issued by the Districts will most certainly differ from what is shown in the Financing Plan. Notwithstanding anything else herein to the contrary, all issuance of Debt shall be deemed to be in compliance with the Financing Plan and the Service Plan so long as the minimum

criteria and limitations set forth herein have been met. The Financing Plan assumes no revenues from Conservation Trust Funds or Great Outdoor Colorado funds, and the Districts shall request such funds only if separately approved by the City. The funds and assets of the City shall not be pledged as security for the repayment of any Obligations issued by the Districts.

1. Debt. As used in this Consolidated Service Plan, the term “Debt” means the principal amount of any Obligation (other than those Obligations of the Financing Districts owed to the Coordinating District pursuant to the terms of the Master IGA described in paragraph 2 below) payable in whole or in part from ad valorem property taxes and/or rates and charges as described in paragraph 4 below to be imposed by any of the Districts. Debt may be issued in an amount approved by the Boards of Directors of the Districts for Public Improvements and services eligible for funding in accordance with applicable law, subject to the limitations set forth herein. Debt does not include contracts or agreements of the Districts entered into in the ordinary course of business (e.g. consultant, engineering, and construction contracts for public improvements).

In order to respond to future contingencies and increases in costs, the Debt issuance limit for the District Nos. 1-3 shall be \$63,200,000 in the aggregate for all Districts combined (the “Combined Debt Limit”) (the “Debt Limits”) which represents 150% of the current financial proforma provided by Piper Sandler based upon 2,500 unit build out of the initial district boundaries. The additional future inclusion acreage may include more than 800 additional single-family units and related infrastructure and improvements needed for that area. The additional contingency requested is intended to provide flexibility for the future inclusion area and contingencies in construction and development for the Villa Bella Project, provided that such limitations shall not be applicable to refunding Bonds issued by the Districts to refund outstanding Debt or intergovernmental agreements between the Districts. The issuance of Debt in excess of the proposed Debt Limit may only be exceed by the District issuing the Debt by obtaining approval of an amendment to this Service Plan.

In this fashion, the Districts will have reasonable flexibility to adjust the actual amount of Debt to be issued, to respond to changing development dynamics, economic conditions within the Districts, the potential for District boundary adjustments as described previously, and changing capital costs. The Districts also shall be permitted to seek debt authorization from their electorates in excess of these amounts to account for contingencies, but may not issue debt beyond the Debt Limits prescribed without approval through an amendment to this Service Plan.

The obligations of the Financing Districts to the Coordinating District as set forth in the Master IGA concerning the funding of the Public Improvements shall not count against the Debt Limits; provided, however, that any Obligations issued by the Coordinating District which are secured by such obligations of the Financing Districts shall count against the Debt Limits. Debt that has been paid or refunded does not count against

the Debt Limit, nor shall increases necessary to accomplish a refunding, reissuance or restructuring of Debt. The Districts may authorize, issue, sell, and deliver such Obligations as are permitted by law, provided that the following limitations shall apply to Debt payable in whole or in part from ad valorem property taxes, except where waived by the City or as is otherwise provided herein:

a. The Districts may assess a mill levy on all taxable property in the Districts' Boundaries as a source of revenue for repayment of debt service and for operations.

Each of the Financing Districts shall only be required to fund on an annual basis, the amount that the applicable Financing District would be capable of funding through tax revenues resulting from the imposition of the Debt Mill Levy Cap (defined herein). The maximum mill levy the Districts may impose for the payment of principal and interest on Debt shall be sixty (60) mills (the "Debt Mill Levy Cap"); provided that if, on or after January 1, 2019 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 changes or decreases to be determined by the Districts' Boards in good faith so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2019, are neither diminished or 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. Except as otherwise provided in this subparagraph a, the Debt Mill Levy Cap shall not be increased unless approved by the City Council and as permitted by statute. Any such increase shall be considered a material modification of the Service Plan.

The Districts may impose a mill levy to defray operations, maintenance, and administrative expenses of each District, as deemed necessary to pay for such expenditures. The Districts shall not impose or attempt to impose a mill levy, or fees in lieu of a mill levy, on any of the property conveyed or dedicated to the City of Pueblo as provided in this Service Plan.

b. The issuance of Debt to the organizers of the Districts or their affiliates may permit interest to accrue on the total unpaid amount, such interest to be paid according to such terms as may then be established, but without compounding. An individual 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) to the organizers of the Districts or their affiliates, on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such debt service mill levy unless there is 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.. Notwithstanding any other provision hereof, such Debt referred to in the preceding sentences shall be deemed to be

discharged at such time as the debt service mill levy is suspended at the end of the forty (40) year period.

2. Master IGA Obligations. The obligations of the Financing Districts under the Master IGA to pay the Coordinating District for capital and general operating expenses of the Districts shall constitute “contractual debt” of the Financing Districts, but shall not count against the Debt Limits. Accordingly, mill levies certified to make necessary payments to the Coordinating District may be characterized as debt service or operations and maintenance mill levies notwithstanding that they are imposed in part to pay contractual obligations for debt service and operations and maintenance services provided by the Coordinating District. Any such mill levy certified under the Master IGA shall be subject to the mill levy maximums established in Section VII.A.1.a, and Section VII.A.7.

3. General. The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation, financing, ownership, operation and maintenance 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 revenues derived from the maximum debt mill levies as provided above, fees, and other legally available revenues. The total Debt that the Districts shall be permitted to issue shall not exceed Sixty-Three Million, Two Hundred Thousand Dollars (\$63,200,000) in the aggregate 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. A *pro forma* Financial Plan is attached hereto as **Exhibit C**. The attached Financial Plan is one illustration of how the Public Improvements and other services of the Districts may be financed; however, the final terms of such financing shall be determined by the Districts, subject to the parameters established within this Service Plan. 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 may 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. Any fees or charges imposed by the Districts shall be assessed in accordance with law, will be used for specified purposes, and be rationally related to a legitimate public purpose.

Prior to the issuance of long-term bonds, the Districts may issue bond anticipation notes or other multiple-fiscal year financial obligations secured by the revenues generated from property taxes, capital facilities fees, district fees, and any other District revenues collected by the Districts. Credit enhancement may be provided for any obligation of the Districts, if necessary. The Districts may make multiple-fiscal year financial obligation pledges secured by property taxes, specific ownership taxes and the

system development fee revenue to fund the acquisition and installation of the Public Improvements for the Project. Revenue from property taxes, specific ownership taxes and system development fees and from other available sources will be used to retire bonds, other debt or multiple-fiscal year financial obligations.

4. Risk Disclosure. The ability of the Districts to meet the projections upon which the Financial Plan is premised is subject to various risks and uncertainties, including but not necessarily limited to, actual development that occurs within the Districts' boundaries and the sale of lots, sale of commercial space, construction of homes as might occur within the area, and actual market valuation of property within the Districts' boundaries. Development in the Districts will be impacted by many factors including governmental policies regarding land development, the availability of utilities, construction costs, interest rates, competition from other developments and other political, legal and economic conditions.

5. Enterprises. The Districts may exercise any of its powers through enterprises established in accordance with Article X, § 20 of the Colorado Constitution (TABOR).

6. Rates and Charges. The Districts shall have the power to derive revenue from and pledge any other legally-available revenue source, including but not limited to those derived from fees, rates, tolls, penalties or charges as provided by § 32-1-1001(1), C.R.S., or otherwise as may be permitted by law. The Financing Plan therefore assumes revenues from various sources in addition to property taxes, and may include in the future such other revenues as the Districts may legally generate.

7. Maximum Interest Rate and Underwriting Discount. The interest rate on any Obligations is expected to be the market rate at the time the Obligations are issued. The proposed maximum interest rate shall not exceed 12%. The proposed maximum underwriting discount shall not exceed 5%.

8. Obligations Issued to District Organizers/Affiliates. Prior to the issuance of any Obligations to the organizers of the District or their affiliates, the District issuing the Obligation shall obtain the certification of an External Financial Advisor (as defined below) 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.

The term “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 Obligation.

9. District Revenue Sources. Each of the Districts may impose a mill levy on taxable property within their 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 statutorily defined power to assess fees, rates, tolls, penalties, or charges that are reasonably related to the services and facilities being provided in accordance with Section 32-1-1001(1), C.R.S., as amended from time to time.

The Districts may also assess fees, rates, tolls, penalties, or charges that are reasonably related to the District amenities, public improvements owned, operated and maintained by the Districts, and other facilities and services being provided in accordance with Section 32-1-1001(1), C.R.S., as amended from time to time. Additionally, the Districts shall be entitled to impose administrative fees as necessary to cover additional expenses associated with use of District recreational improvements, other than parks and trails, by City residents who do not reside in the Districts taking into account the District residents taxes and fees paid to construct the facilities and improvements 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 a reasonable annual market fee for users of such facilities. No Fees 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 (defined as a resident, homeowner, renter, commercial property owner, or commercial tenant, but excluding the business entity that constructs homes or commercial structures) 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.

10. 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.

The Financing Plan demonstrates that the Districts will have the financial capability to discharge the proposed indebtedness with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated therein.

VIII. OTHER REQUIREMENTS/MISCELLANEOUS

A. Other Requirements.

The Districts shall continue to be subject to the following additional requirements:

1. Submission of annual reports as described in § 32-1-207(3), C.R.S., not later than March 1 of each year following the year of organization, containing the following information, at a minimum:

- a. Boundary changes made;
- b. Intergovernmental Agreements executed;
- c. Proposed capital construction projects for current year;
- d. Proposed public improvement dedications for current year;
- e. Projected Debt issuance for current fiscal year; and
- f. Material litigation to which a District is a party.

2. The Districts shall furnish the City with a copy of its annual audit at the same time as the audit is filed with the Division of Local Government.

3. The Districts shall furnish the City with a copy of the Districts' mill levy certification at the time such certification is provided to the County.

4. Material modifications of this Service Plan shall be subject to approval by the City in accordance with the provisions of § 32-1-207, C.R.S. and as provided herein.

5. Disclosure to Purchasers. The Developer and the Districts will provide written notice to initial purchasers of property located within the Districts at the time of closing that discloses the existence of the Districts and of any additional taxes, charges, and/or assessments that may be currently in effect and imposed in connection with the Districts. The written notice shall also provide information concerning the maximum debt mill levy, as well as a general description of the Districts' authority to impose and collect rates, fees, tolls and charges.

B. Miscellaneous.

The Districts shall be empowered to undertake all activities authorized by this Service Plan, including all powers necessary or implied therefrom, in accordance with the Special District Act (§ 32-1-201, et seq., C.R.S.). The grant of authority contained in this Service Plan does not constitute the agreement or binding commitment of the Districts enforceable by third parties to undertake the activities described, or to undertake such activities exactly as described.

1. Standards of Construction/Statement of Compliance. Any facilities, which the Coordinating District may construct pursuant to this Service Plan, if constructed, shall be constructed in accordance with the following provisions:

a. The sanitary sewer treatment and/or collection facilities will be designed, constructed and maintained in accordance with the standards of the Colorado Department of Health, the City of Pueblo and/or any other applicable local, state or federal rules and regulations.

b. The Coordinating District's water system will be constructed and maintained in accordance with the standards of the Board of Water Works of the City of Pueblo, Colorado, the Colorado Department of Health or other jurisdictions, as appropriate.

c. All streets and safety protection facilities to be dedicated to the City of Pueblo will be constructed in accordance with the standards and specifications of the City of Pueblo.

d. All storm sewers and facilities will be constructed in accordance with the standards and specifications of the City of Pueblo and other local jurisdictions, as appropriate.

e. All parks and recreational facilities and/or services will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be in compliance with standards of the City of Pueblo or other local public entities, as appropriate.

f. All transportation facilities and/or services will be provided in accordance with the standards and specifications of the City of Pueblo, if any, or other local public entities, as appropriate.

g. All mosquito control activities and/or programs will be provided in accordance with the standards and specifications of the Colorado Department of Health, the City of Pueblo and other applicable local, state and federal regulations.

h. All fire protection facilities and services will be designed, constructed and maintained in accordance with the standards of the City of Pueblo, the Fire Department and any other applicable local, state or federal rules and regulations.

i. The Coordinating District will insure that any facilities which the Coordinating District may construct pursuant to this Service Plan are designed and constructed in accordance with the standards and specifications of the City of Pueblo and of other governmental entities having proper jurisdiction. The Coordinating District will obtain the City of Pueblo's approval of civil engineering plans and will obtain applicable permits for construction and installation of all such facilities prior to performing all such work.

j. The Coordinating District will require its engineers to implement a plan to assure that the standards by which the facilities are to be constructed are in accordance with the specifications of the City of Pueblo and any other party which will have jurisdiction over the design and/or construction of such facilities.

k. The City of Pueblo is not and never shall be obligated to pay any of the debt obligations of the Coordinating District. The faith and credit of the City of Pueblo will not be pledged for the repayment of any debt or other financial obligation of any Districts. This will be clearly stated on all offering circulars, prospectuses, or disclosure statements associated with any securities issued by any District. The District shall not utilize the "City of Pueblo" name in the name of the District. In the text of each Bond and any other instrument representing and constituting the debt or other multi-fiscal year obligation of any of the Districts, there shall be set forth a statement in substantially the following form:

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

C. Intergovernmental Agreement.

The form of Intergovernmental Agreement (the "IGA") to be entered into between the Districts and the City following formation of the Districts is attached as **Exhibit F**. Modifications to the IGA subsequently agreed upon by the City shall not require a Service Plan Amendment.

IX. DISSOLUTION/CONSOLIDATION

At the request of Pueblo or if the Board of Directors of the Coordinating District deems it to be in the best interests of the Coordinating District that the Coordinating District be dissolved, the Coordinating District shall initiate and diligently pursue dissolution in accordance with Section 32-1-701, et seq., C.R.S., at such time as: (1) Pueblo agrees to provide or cause to be provided substantially the same level of operations and maintenance (if any) of the Coordinating District's facilities as the Coordinating District has provided, (2) all of the proposed improvements and facilities have been constructed and conveyed to Pueblo or other appropriate entity, and (3) all debt incurred for such facilities has been repaid or arrangement for repayment has been made. The City Council may consent to the dissolution by resolution.

The District shall not file a request with any court to consolidate with another Title 32 district without the prior written consent of the City Council.

X. PROPOSED AGREEMENTS

A. Coordinated Services of Districts.

As discussed in this Service Plan, the relationship between the Coordinating District and the Financing Districts will be established through the proposed Master IGA. The Master IGA specifies the rights and responsibilities of the Coordinating District to finance, own, acquire, operate, construct and maintain the Improvements needed to serve the Development in conjunction with financing provided by the Financing Districts; provided, however, a Financing District may determine to finance, own, operate, construct and maintain the Improvements to serve the development within such Financing District pursuant to the terms set forth in the Master IGA. The Master establishes procedures and standards for the approval of the design, operation and maintenance of the Improvements and may provide the procedures for coordinated financing, budgeting, and administrative oversight and management. The Master IGA will not be amended or its terms otherwise modified in material ways without the consent of the City Attorney, the Director of the Planning & Community Development, and the Director of Finance, and any such modification may, at the election of the City Council, be deemed a material modification of the Service Plan of any or all of the Districts.

B. Additional Intergovernmental Agreements and Agreements with Private Entities.

To the extent practicable, the Districts may enter into additional intergovernmental and private agreements to better ensure long-term provision and effective management of the public improvements and services. Agreements may also be executed with property owners associations and other service providers. Any additional intergovernmental

agreements are authorized pursuant to Colorado Constitution, Article XIV, § 18 (2)(a) and Section 29-1-201, *et seq.*, C.R.S.

XI. VOTER AUTHORIZATION

To the extent necessary to comply with statutory and/or Constitutional requirements for approval of debt or long-term financial obligations, the terms of the aforementioned intergovernmental agreements and any other intergovernmental agreement deemed necessary to effectuate the long-term plans of the Coordinating District will be submitted to the electors of the Coordinating District for approval. The Coordinating District shall have the authority to obtain the required voter authorization in order to exercise its rights and obligations under such agreements and to enter into the agreements without further approval of Pueblo.

XII. CONCLUSIONS

It is submitted that this Consolidated Service Plan for Villa Bella Metropolitan District Nos. 1-3 as required by § 32-1-204.5(1), C.R.S., has established that:

A. There is sufficient existing and projected need for organized service in the area to be served by the Districts.

B. The existing service in the area to be served by the Districts is inadequate for present and projected needs.

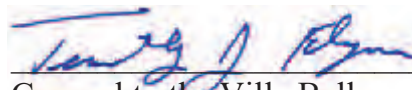
C. The Districts are capable of providing economical and sufficient service to the area within their boundaries.

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

Therefore, it is hereby respectfully requested that the Board of Trustees of the City of Pueblo, Colorado, which has jurisdiction to approve this Service Plan by virtue of § 32-1-204.5, C.R.S., *et seq.*, as amended, adopt a resolution, which approves this Amended and Restated Consolidated Service Plan for Villa Bella Metropolitan District Nos. 1-3, as submitted.

Respectfully revised and re-submitted this 24th day of August, 2021.

COLLINS COCKREL AND COLE, PC

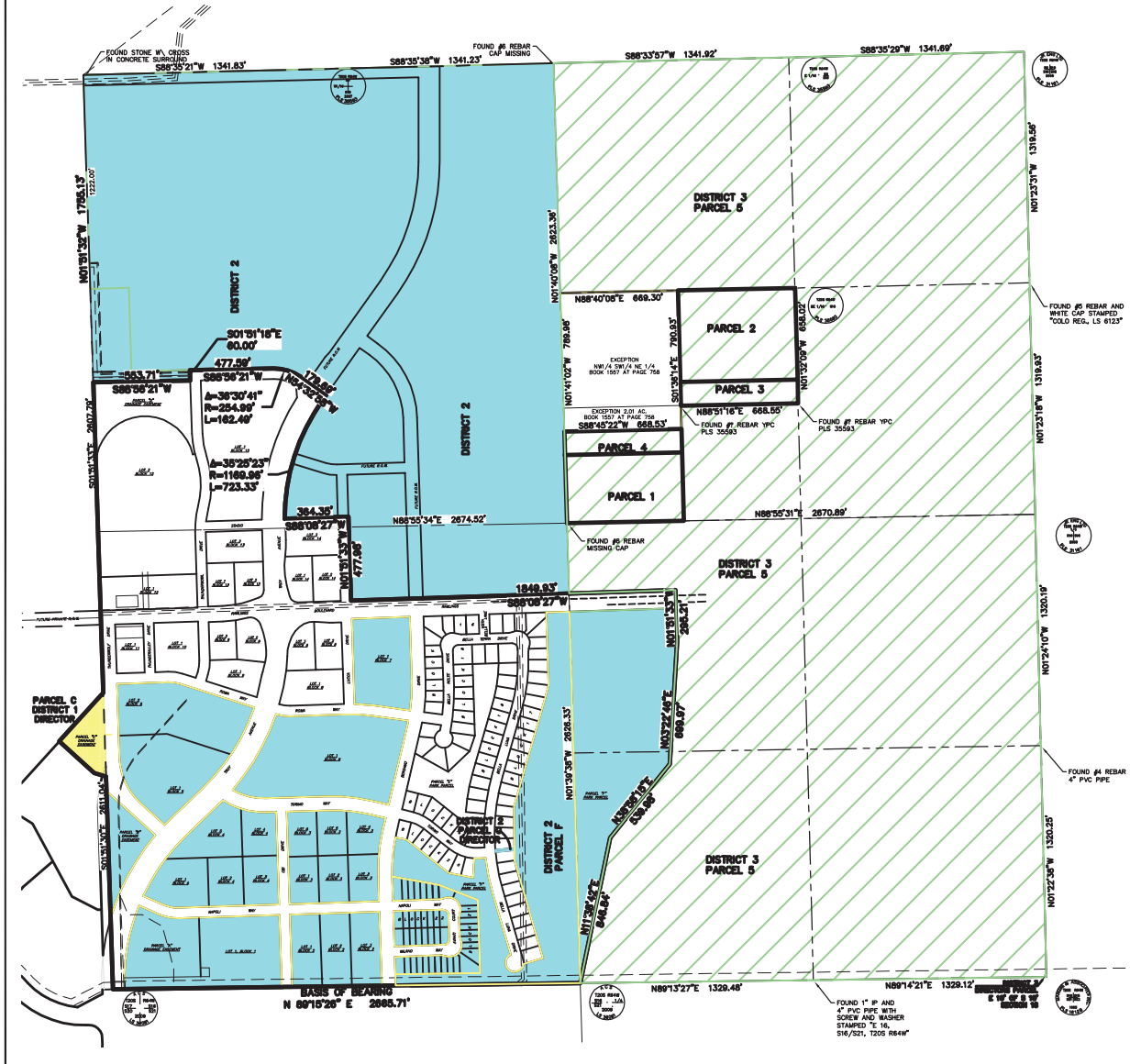


Counsel to the Villa Bella
Metropolitan District Nos. 1-3

EXHIBIT A-1
Legal Descriptions and Maps of Initial Districts Boundaries

VILLA BELLA METRO DISTRICT MAP DISTRICT 1, DISTRICT 2 AND DISTRICT 3

SECTION 16, AND SECTION 17, T20S, R64W OF THE 6th P.M., PUEBLO, COLORADO



LEGAL DESCRIPTIONS:

DISTRICT 1:
PARCEL C OF THE RECORDED PLAT OF "VILLA BELLA SUBDIVISION, PLING NO. 1" AS RECORDED UNDER RECEPTION NO. 1808484, CITY OF PUEBLO, COUNTY OF PUEBLO, STATE OF COLORADO.
ALL OF SAID PARCEL C TO BE DESIGNATED AS THE DIRECTORS PARCEL.

DISTRICT 2:
THE WEST HALF (1/2) OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EXCEPT THAT PORTION PLATTED AS VILLA BELLA SUBDIVISION, PLING NO. 1 AS RECORDED MAY 14, 2009 AT RECEPTION NO. 1808484, TOGETHER WITH THOSE LOTS, BLOCKS AND PARCELS OF THE RECORDED PLAT OF "VILLA BELLA SUBDIVISION, PLING NO. 1" AS RECORDED UNDER RECEPTION NO. 1808484, CITY OF PUEBLO, COUNTY OF PUEBLO, STATE OF COLORADO AS LISTED BELOW

- LOT 1, BLOCK 1,
 - LOTS 1, 2 AND 3, BLOCK 2,
 - LOTS 1, 2, 3, 4, 5 AND 6, BLOCK 3,
 - LOTS 1, 2, 3, 4 AND 5, BLOCK 4,
 - LOTS 1 AND 2, BLOCK 5,
 - LOT 1, BLOCK 6,
 - LOT 1, BLOCK 7,
 - LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 AND 28, BLOCK 21,
 - LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 AND 16, BLOCK 22,
 - PARCELS A, B, F AND G.
- ALL OF PARCEL G TO BE DESIGNATED AS THE DIRECTORS PARCEL.

DISTRICT 3:

PARCEL 1:
THE SOUTH 4/8 ACRES OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE 6TH P.M., COUNTY OF PUEBLO, STATE OF COLORADO.

PARCEL 2:
THE NORTH 8/8 ACRES OF THE NORTHEAST QUARTER (NE 1/4) OF THE SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE 6TH P.M., COUNTY OF PUEBLO, STATE OF COLORADO.

PARCEL 3:
THE NORTHEAST QUARTER (NE 1/4) OF THE SOUTHWEST QUARTER (SW 1/4) OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EXCEPTING THEREFROM THE NORTH 8 ACRES AND FURTHER EXCEPTING THEREFROM THE NORTH 2.018 ACRES.

PARCEL 4:
THE SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4) OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EXCEPTING THEREFROM THE SOUTH 6 ACRES AND FURTHER EXCEPTING THEREFROM THE NORTH 2.018 ACRES.

PARCEL 5:
THE EAST HALF (1/2) OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EXCEPT THOSE PORTIONS DESCRIBED AS PARCELS 1, 2, 3 AND 4 HEREIN, AND EXCEPT THAT PORTION PLATTED AS VILLA BELLA SUBDIVISION, PLING NO. 1 AS RECORDED MAY 14, 2009 AT RECEPTION NO. 1808484 AND FURTHER EXCEPTING THEREFROM THAT PARCEL CONVERTED IN DEED RECORDED NOVEMBER 16, 1984 IN BOOK 1267 AT PAGE 788, COUNTY OF PUEBLO, STATE OF COLORADO.

THE SOUTH TEN FEET (10.00') OF THE EAST TEN FEET (10.00') OF SAID SECTION 16 TO BE DESIGNATED AS THE DIRECTORS PARCEL.

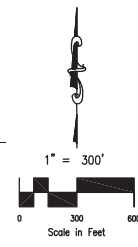
DISTRICT 1



DISTRICT 2



DISTRICT 3

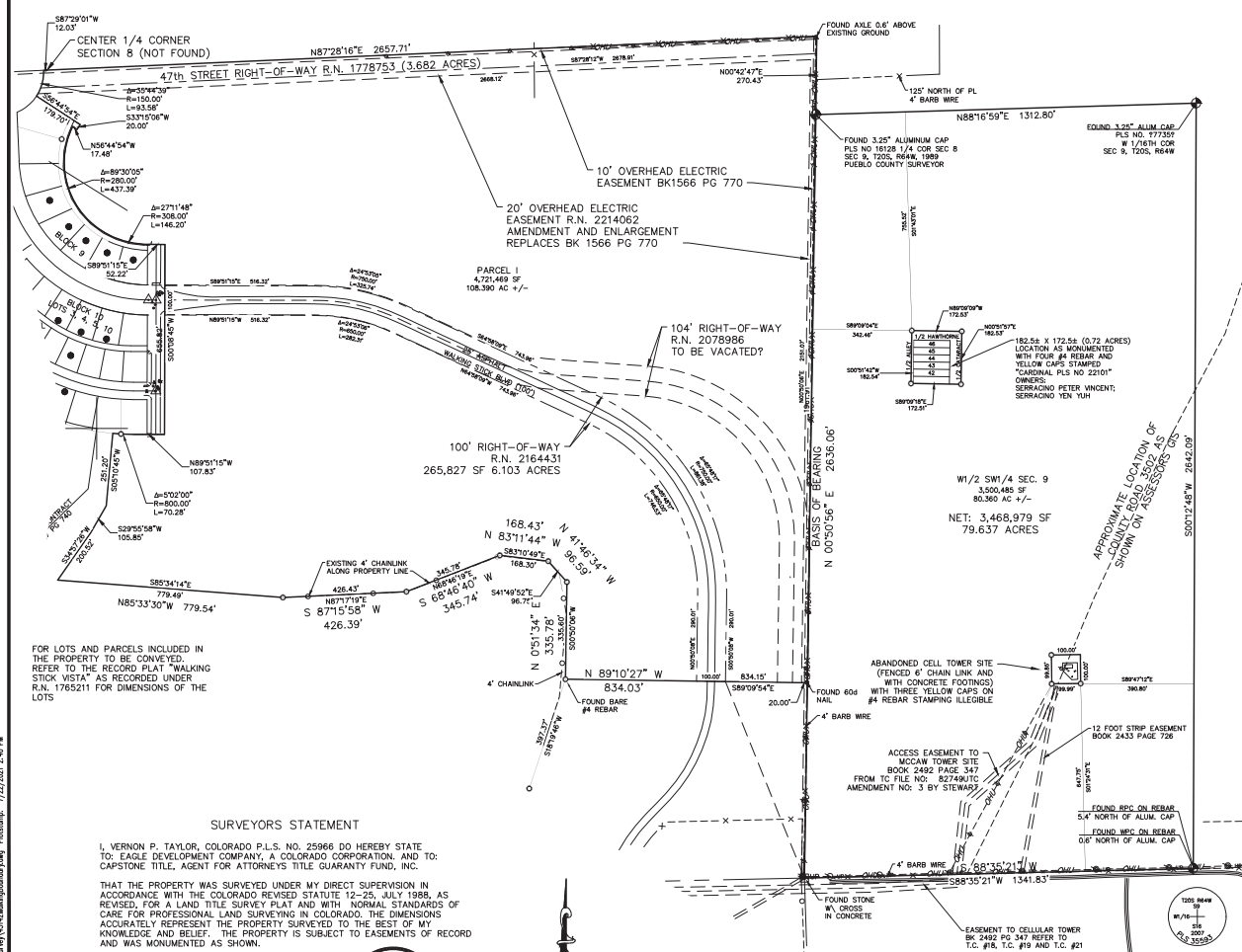


METRO DISTRICTS EXHIBIT
JOB NO. 43-136
DATE PREPARED: 06/15/2021
DATE REVISED:

FILE: C:\1318 VILLA BELLA PUEBLO\1318 VILLA BELLA LUMINUS\Drawings\1318 DISTRICT MAPS.dwg PlotDate: 6/22/2021 1:32 PM

EXHIBIT A-2
Legal Description and Map of Future Inclusion Area

W 1/2 OF THE SW 1/4 SECTION 9 T20S, R64W OF THE 6TH P.M. AND PARCEL I OF WALKING STICK VISTA, PUEBLO, COLORADO



SURVEY NOTES:

1. BASIS OF BEARING, THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 9, T20S, R64W OF THE 6TH P.M., PUEBLO COUNTY, COLORADO IS MONUMENTED AS SHOWN HEREON. THE AS MEASURED BEARING ON SAID LINE IS N00°50'56"E A DISTANCE OF 270.43 FEET.
2. THE FLOOD INSURANCE RATE MAPS 08101005540, 08104005210 AND 08101005200 HAVE BEEN EXAMINED AS THEY RELATE TO THE SUBJECT PROPERTY. THERE IS NO DESIGNATED FLOOD ZONE AFFECTING THE SUBJECT PROPERTY.
3. A COMMITMENT FOR TITLE INSURANCE ISSUED BY CAPSTONE TITLE AS AGENT FOR ATTORNEYS TITLE GUARANTY FUND, INC., ORDER NO. 211571, REVISION NO. 1, WITH A DATE OF JULY 02, 2021 AT 8:00 A.M. HAS BEEN REVIEWED AS IT RELATES TO THE SURVEY SHOWN HEREON.

- ### LEGAL DESCRIPTION
- ALL OF MANHATTAN PARK, INCLUDING VACATED ALLEYS AND STREETS, ACCORDING TO THE RECORDED PLAT THEREOF, FILED FOR RECORD APRIL 11, 1989 AT RECEPTION NO. 32464; EXCEPT LOTS 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, PORTION OF 1/2 OF VACATED CANTARACT AVENUE ADJOINING SAID LOTS AND WITH 1/2 OF VACATED WASHINGTON STREET ADJOINING LOTS 48 AND 1/2 OF VACATED ALLEY ADJOINING SAID LOTS BETWEEN VACATED CANTARACT AVENUE AND VACATED MOUNTAIN VIEW AND VACATED WASHINGTON STREET AND VACATED MANHATTAN STREET AND EXCEPT ANY PORTION THEREOF BEING WITHIN COUNTY ROAD 3502 AS SHOWN ON THE PUEBLO COUNTY ASSESSOR'S MAP CROSSING THE SUBJECT PROPERTY, COUNTY OF PUEBLO, STATE OF COLORADO.

EXCEPTIONS:

EXCEPTIONS 1 THROUGH 6 ARE NOT SURVEY RELATED MATTERS.

EXCEPTION NO. 7, AN EASEMENT BY NECESSITY FOR INGRESS AND EGRESS TO LOTS 41 TO 46, INCLUDING BLOCK 7, MANHATTAN PARK DUE TO THE FACT THAT THE PROPERTY DOES NOT ABUT A PUBLICALLY DEDICATED ROAD AND/OR STREET.

EXCEPTION NO. 8, TERMS, AGREEMENTS, PROVISIONS, CONDITIONS, OBLIGATIONS AND EASEMENTS AS CONTAINED IN EASEMENT GRANTED TO GENCO CORPORATION RECORDED JANUARY 27, 1989 IN BOOK 2433 AT PAGE 726, SAID EASEMENT WAS ASSIGNED TO TELEPHONE COMPANY OF COLORADO CORPORATION BY INSTRUMENT RECORDED APRIL 05, 1990 IN BOOK 2492 AT PAGE 347, (AS SHOWN HEREON).

NOTE: THE ABANDONED CELL TOWER SHOWN HEREON IS AS SURVEYED. RECORDED DOCUMENT INFORMATION WAS NOT PROVIDED IN THE TITLE COMMITMENT.

4. A COMMITMENT FOR TITLE INSURANCE ISSUED BY CAPSTONE TITLE AS AGENT FOR ATTORNEYS TITLE GUARANTY FUND, INC., ORDER NO. 211571, WITH A COMMITMENT DATE OF JUNE 04, 2021 AT 8:00 A.M. HAS BEEN REVIEWED AS IT RELATES TO THE SURVEY OF PARCEL 1 AS SHOWN HEREON.

- ### LEGAL DESCRIPTION:
- LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 1
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 2
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 3
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 4
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 5
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 6
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 7
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 8
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 9
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 10
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 11
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 12
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 13
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 14
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 15
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 16
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 17
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 18
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 19
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 20
 LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21, BLOCK 21

- ### EXCEPTIONS:
- EXCEPTIONS 1 THROUGH 6 WERE NOT EXAMINED BY THIS SURVEY.
7. RESERVATIONS CONTAINED IN PATENT(S) RECORDED JANUARY 25, 1889 IN BOOK 67 AT PAGE 63 AND 64, ALSO RECORDED AUGUST 19, 1900 IN BOOK 91 AT PAGE 23 AS FOLLOWS: "SUBJECT TO THE RIGHT OF THE PROPRIETOR OF AVENUE OR LOT TO EXTRACT AND REMOVE GAS THEREFROM, SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES HEREBY GRANTED, AS PROVIDED BY LAW FOR SURVEY RELATED MATTERS."
8. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN AN EXHIBIT ORDINANCE NO. 5605 RECORDED AUGUST 7, 1990 IN BOOK 2010 AT PAGE 844 (AFFECTS SOUTH HALF OF SECTION 9).
9. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN CONTRACT RECORDED APRIL 29, 1994 IN BOOK 2729 AT PAGE 740 (MAY AFFECT LOTS IN BLOCKS 7 AND 11 OF THE WALKING STICK VISTA PLAT)

EXCEPTIONS CONT'

10. COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED APRIL 29, 1994 IN BOOK 2729 AT PAGE 770, WHICH ARE UNACCOMPANIED BY A RIGHT OF FORFEITURE OR REVERTER, DELETING THEREFROM ANY RESTRICTIONS INDICATING ANY PREFERENCE, LIMITATION OR DISCRIMINATION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN, ASSIGNMENT OF DECLARANT'S RIGHTS RECORDED FEBRUARY 9, 2001 AT RECEPTION NO. 1989208. (NOT A SURVEY MATTER)
11. ANY TAX LIEN, FEE OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE PUEBLO CONSERVANCY DISTRICT, AS EVIDENCED BY INSTRUMENTS RECORDED AUGUST 1, 2007 AT RECEPTION NO. 1738292 AND FEBRUARY 15, 2013 AT RECEPTION NO. 1934425 AND PUEBLO CONSERVANCY DISTRICT MAP RECORDED DECEMBER 11, 2009 AT RECEPTION NO. 1980906. (NOT A SURVEY MATTER)
12. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN WALKING STICK VISTA PLANNED UNIT DEVELOPMENT RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765217. 2ND AMENDMENT TO PLANNED UNIT DEVELOPMENT RECORDED NOVEMBER 2, 2017 AT RECEPTION NO. 2087225 (NOT A SURVEY MATTER)
13. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN ORDINANCE NO. 7718 RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765210 (NOT A SURVEY MATTER, AFFECTS WALKING STICK VISTA PLAT)
14. ANY AND ALL NOTES, EASEMENTS, RIGHTS OF WAY, RESTRICTIONS, LIMITATIONS AND OTHER MATTERS AS SET FORTH ON THE PLAT OF WALKING STICK VISTA, PLING NO. 1 RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765211. (REFER TO WALKING STICK VISTA PLAT)
15. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN SUBDIVISION IMPROVEMENTS AGREEMENT RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765212. ADDENDUMS AND MODIFICATIONS RECORDED IN CONNECTION WITH SAID SUBDIVISION IMPROVEMENTS AGREEMENT RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765213 AND RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765214 AND RECORDED DECEMBER 17, 2009 AT RECEPTION NO. 1790949 AND RECORDED DECEMBER 17, 2008 AT RECEPTION NO. 1790947 AND DECEMBER 17, 2008 AT RECEPTION NO. 1790948 AND DECEMBER 17, 2008 AT RECEPTION NO. 1790949 AND RECORDED JUNE 29, 2009 AT RECEPTION NO. 1910208. (AFFECTS WALKING STICK VISTA PLAT)
16. COVENANTS AS CONTAINED IN SPECIAL WARRANTY DEED RECORDED APRIL 21, 2008 AT RECEPTION NO. 1766025. (NOT A SURVEY MATTER)
17. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN EASEMENT AND RIGHT OF WAY RECORDED AUGUST 14, 2008 AT RECEPTION NO. 1778754. (AFFECTS LOT 3 BLOCK 3)
18. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN EASEMENT AND RIGHT OF WAY RECORDED AUGUST 14, 2008 AT RECEPTION NO. 1778756. (AFFECTS LOT 2 BLOCK 3)
19. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN EASEMENT AND RIGHT OF WAY RECORDED AUGUST 14, 2008 AT RECEPTION NO. 1778757. (AFFECTS LOT 1 BLOCK 1)
20. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN EASEMENT AND RIGHT OF WAY RECORDED AUGUST 14, 2008 AT RECEPTION NO. 1778757. (AFFECTS LOT 1 BLOCK 1)
21. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN EASEMENT AND RIGHT OF WAY RECORDED AUGUST 14, 2008 AT RECEPTION NO. 1778758. (AFFECTS LOT 2 BLOCK 1)
22. THOSE COVENANTS, CONDITIONS, TERMS, OBLIGATIONS, EASEMENTS AND RESTRICTIONS WHICH ARE A BURDEN TO SUBJECT PROPERTY DESCRIBED IN SCHEDULE C HEREOF, DELETING THEREFROM ANY RESTRICTIONS INDICATING ANY PREFERENCE, LIMITATION OR DISCRIMINATION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN, AS PROVIDED IN THE DECLARATION FOR WALKING STICK VISTA, PLING NO. 1 RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765210 AND 2ND AMENDMENT TO PLANNED UNIT DEVELOPMENT RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765211. (AFFECTS WALKING STICK VISTA PLAT)
23. ANY AND ALL NOTES, EASEMENTS, RIGHTS OF WAY, RESTRICTIONS, LIMITATIONS AND OTHER MATTERS AS SET FORTH ON THE REARRANGEMENT OF PROPERTY BOUNDARIES, LL-15-04, BEING A REARRANGEMENT OF LOTS 12, 13 AND 14, BLOCK 10, WALKING STICK VISTA, PLING NO. 1 RECORDED DECEMBER 4, 2015 AT RECEPTION NO. 2032927. (REFER TO THE RECORDED DOCUMENT)
24. ANY AND ALL NOTES, EASEMENTS, RIGHTS OF WAY, RESTRICTIONS, LIMITATIONS AND OTHER MATTERS AS SET FORTH ON THE REARRANGEMENT OF PROPERTY BOUNDARIES, LL-15-04, BEING A REARRANGEMENT OF LOTS 1, 2, 3 AND 4, BLOCK 8, WALKING STICK VISTA, PLING NO. 1 RECORDED APRIL 1, 2016 AT RECEPTION NO. 2032925. (REFER TO THE RECORDED DOCUMENT)
25. ANY AND ALL NOTES, EASEMENTS, RIGHTS OF WAY, RESTRICTIONS, LIMITATIONS AND OTHER MATTERS AS SET FORTH ON THE REARRANGEMENT OF PROPERTY BOUNDARIES, LL-15-04, BEING A REARRANGEMENT OF LOTS 5, 6 AND 7, BLOCK 8, WALKING STICK VISTA, PLING NO. 1 RECORDED APRIL 1, 2016 AT RECEPTION NO. 2032924. (REFER TO THE RECORDED DOCUMENT)
26. ANY AND ALL NOTES, EASEMENTS, RIGHTS OF WAY, RESTRICTIONS, LIMITATIONS AND OTHER MATTERS AS SET FORTH ON THE REARRANGEMENT OF PROPERTY BOUNDARIES, LL-16-04, BEING A REARRANGEMENT OF LOTS 1 AND 2, BLOCK 2, WALKING STICK VISTA, PLING NO. 1 RECORDED JULY 8, 2016 AT RECEPTION NO. 204764. (REFER TO THE RECORDED DOCUMENT)
27. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN EASEMENT RECORDED APRIL 13, 1985 IN BOOK 1566 AT PAGE 769 AND AMENDMENT AND ENLARGEMENT TO GRANT OF RIGHT OF WAY RECORDED FEBRUARY 24, 2021 AT RECEPTION NO. 2214062. (AS SHOWN HEREON)
28. ANY AND ALL NOTES, EASEMENTS, RIGHTS OF WAY, RESTRICTIONS, LIMITATIONS AND OTHER MATTERS AS SET FORTH ON THE PLAT OF WALKING STICK VISTA, PLING NO. 1 RECORDED APRIL 15, 2008 AT RECEPTION NO. 1765211.
29. TERMS, AGREEMENTS, PROVISIONS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN SUBDIVISION IMPROVEMENTS AGREEMENT RECORDED MAY 29, 2009 AT RECEPTION NO. 1910208 AND ADDENDUM TO SUBDIVISION IMPROVEMENTS AGREEMENT RECORDED MAY 29, 2009 AT RECEPTION NO. 1910207.
30. TERMS, AGREEMENTS, PROVISIONS, EASEMENTS, CONDITIONS AND OBLIGATIONS AS CONTAINED IN DECLARATION OF COVENANTS CONCERNING DRAINAGE EASEMENTS FOR WALKING STICK VISTA, PLING NO. 2 RECORDED MAY 29, 2009 AT RECEPTION NO. 1810229.

FOR LOTS AND PARCELS INCLUDED IN THE PROPERTY TO BE CONVEYED, REFER TO THE RECORD PLAT "WALKING STICK VISTA" AS RECORDED UNDER R.N. 1765211 FOR DIMENSIONS OF THE LOTS

SURVEYORS STATEMENT

I, VERNON P. TAYLOR, COLORADO P.L.S. NO. 25966 DO HEREBY STATE TO: EAGLE DEVELOPMENT COMPANY, A COLORADO CORPORATION, AND TO: CAPSTONE TITLE, AGENT FOR ATTORNEYS TITLE GUARANTY FUND, INC. THAT THE PROPERTY WAS SURVEYED UNDER MY DIRECT SUPERVISION IN ACCORDANCE WITH THE COLORADO REVISIONED STATUTE 12-25, JULY 1988, AS REVISED, FOR A LAND TITLE SURVEY PLAT AND WITH NORMAL STANDARDS OF CARE FOR PROFESSIONAL LAND SURVEYING IN COLORADO. THE DIMENSIONS ACCURATELY REPRESENT THE PROPERTY SURVEYED TO THE BEST OF MY KNOWLEDGE AND BELIEF. THE PROPERTY IS SUBJECT TO EASEMENTS OF RECORD AND WAS MONUMENTED AS SHOWN.

Vernon P. Taylor
 VERNON P. TAYLOR
 COLORADO P.L.S. NO. 25966
 07/22/2021
 DATE



NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF THE CERTIFICATION SHOWN HEREON.

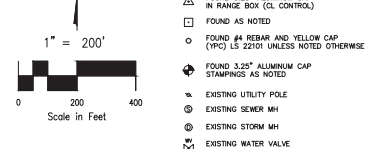
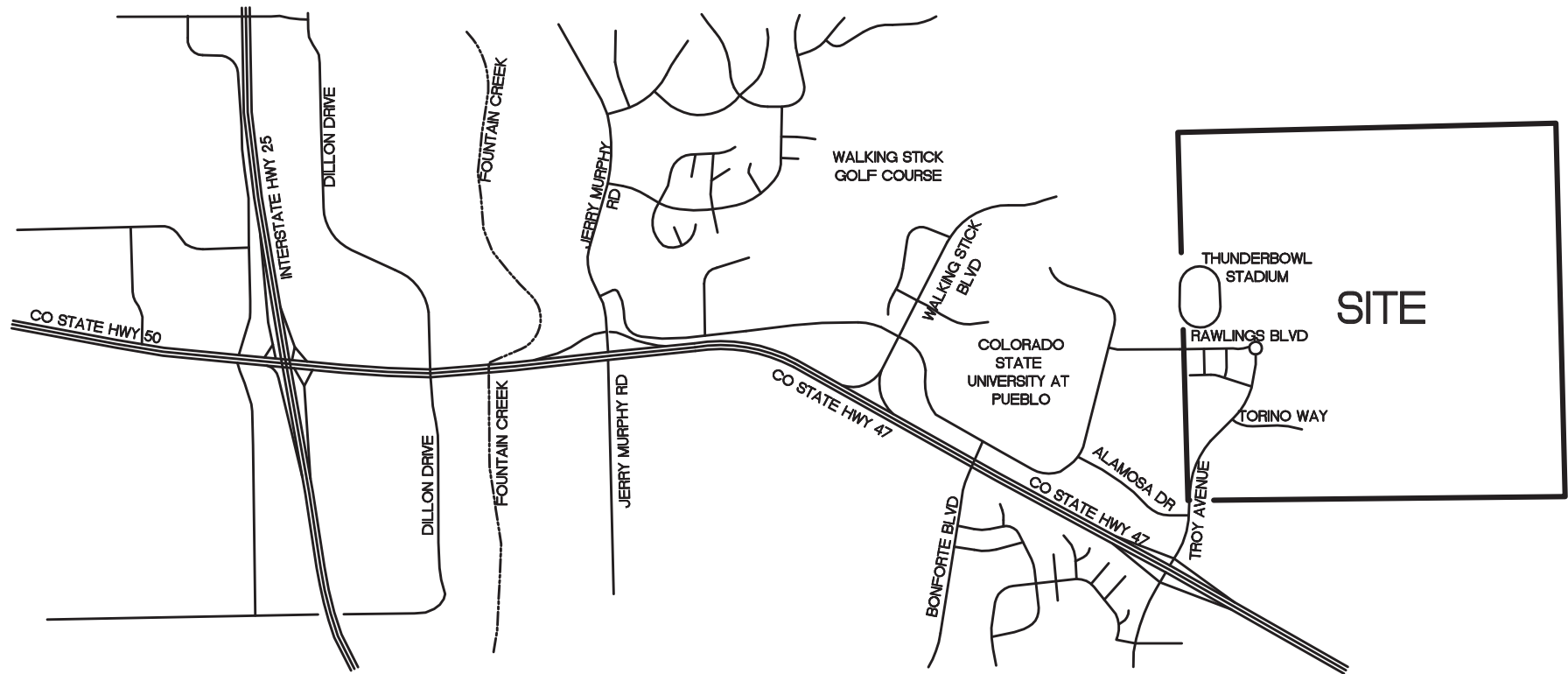


EXHIBIT B
Vicinity Map

4
North



VICINITY MAP

EXHIBIT C
Financing Plan

Villa Bella Metropolitan District No. 1-3
Pueblo County, Colorado

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General Obligation Developer Cash Flow Bonds, Series 2022(3)

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Financial Plan

<u>Bond Assumptions</u>	<u>Series 2022(3)</u>
Closing Date	12/1/2022
First Call Date	12/1/2027
Final Maturity	12/1/2052
Discharge Date	12/1/2062
Sources of Funds	
Par Amount	42,138,000
Total	42,138,000
Uses of Funds	
Infrastructure Reimbursement	41,466,620
Cost of Issuance	671,380
Total	42,138,000
Debt Features	
Projected Coverage at Mill Levy Cap	1.00x
Tax Status	Tax-Exempt
Rating	Non-Rated
Average Coupon	6.000%
Annual Trustee Fee	\$4,000
Biennial Reassessment	
Residential	6.00%
Tax Authority Assumptions	
Metropolitan District Revenue	
Residential Assessment Ratio	
Service Plan Gallagherization Base	7.15%
Current Assumption	7.15%
Debt Service Mills	
Service Plan Mill Levy Cap	50.000
Maximum Adjusted Cap	50.000
Target Mill Levy	50.000
Specific Ownership Tax	6.00%
County Treasurer Fee	1.50%
Operations	
Mill Levy	10.000

**Villa Bella Metropolitan District No. 1-3
Development Summary**

Statutory Actual Value (2021)	Residential				Total
	Residential Units	-	-	-	
	\$350,000	-	-	-	
2021	-	-	-	-	-
2022	200	-	-	-	200
2023	200	-	-	-	200
2024	200	-	-	-	200
2025	200	-	-	-	200
2026	200	-	-	-	200
2027	200	-	-	-	200
2028	200	-	-	-	200
2029	200	-	-	-	200
2030	200	-	-	-	200
2031	200	-	-	-	200
2032	200	-	-	-	200
2033	200	-	-	-	200
2034	100	-	-	-	100
2035	-	-	-	-	-
2036	-	-	-	-	-
2037	-	-	-	-	-
2038	-	-	-	-	-
2039	-	-	-	-	-
2040	-	-	-	-	-
2041	-	-	-	-	-
2042	-	-	-	-	-
2043	-	-	-	-	-
2044	-	-	-	-	-
2045	-	-	-	-	-
2046	-	-	-	-	-
2047	-	-	-	-	-
2048	-	-	-	-	-
2049	-	-	-	-	-
2050	-	-	-	-	-
2051	-	-	-	-	-
2052	-	-	-	-	-
Total Units	2,500	-	-	-	2,500
Total Statutory Actual Value	\$875,000,000	-	-	-	\$875,000,000

**Villa Bella Metropolitan District No. 1-3
Assessed Value**

	Vacant and Improved Land ¹		Residential				Total
	Cumulative Statutory Actual Value	Assessed Value in Collection Year 2 Year Lag 29.00%	Residential Units Delivered	Biennial Reassessment 6.00%	Cumulative Statutory Actual Value	Assessed Value in Collection Year 2 Year Lag 7.15%	Assessed Value in Collection Year 2 Year Lag
2021	7,000,000	0	-	-	0	0	0
2022	7,000,000	0	200	-	71,400,000	0	0
2023	7,000,000	2,030,000	200	-	144,228,000	0	2,030,000
2024	7,000,000	2,030,000	200	8,653,680	227,166,240	5,105,100	7,135,100
2025	7,000,000	2,030,000	200	-	302,936,491	10,312,302	12,342,302
2026	7,000,000	2,030,000	200	18,176,189	398,398,337	16,242,386	18,272,386
2027	7,000,000	2,030,000	200	-	477,229,706	21,659,959	23,689,959
2028	7,000,000	2,030,000	200	28,633,782	586,271,485	28,485,481	30,515,481
2029	7,000,000	2,030,000	200	-	668,287,642	34,121,924	36,151,924
2030	7,000,000	2,030,000	200	40,097,259	792,041,380	41,918,411	43,948,411
2031	7,000,000	2,030,000	200	-	877,370,990	47,782,566	49,812,566
2032	7,000,000	2,030,000	200	52,642,259	1,017,049,451	56,630,959	58,660,959
2033	3,500,000	2,030,000	200	-	1,105,826,376	62,732,026	64,762,026
2034	0	2,030,000	100	66,349,583	1,217,452,191	72,719,036	74,749,036
2035	0	1,015,000	-	-	1,217,452,191	79,066,586	80,081,586
2036	0	0	-	73,047,131	1,290,499,322	87,047,832	87,047,832
2037	0	0	-	-	1,290,499,322	87,047,832	87,047,832
2038	0	0	-	77,429,959	1,367,929,282	92,270,702	92,270,702
2039	0	0	-	-	1,367,929,282	92,270,702	92,270,702
2040	0	0	-	82,075,757	1,450,005,039	97,806,944	97,806,944
2041	0	0	-	-	1,450,005,039	97,806,944	97,806,944
2042	0	0	-	87,000,302	1,537,005,341	103,675,360	103,675,360
2043	0	0	-	-	1,537,005,341	103,675,360	103,675,360
2044	0	0	-	92,220,320	1,629,225,661	109,895,882	109,895,882
2045	0	0	-	-	1,629,225,661	109,895,882	109,895,882
2046	0	0	-	97,753,540	1,726,979,201	116,489,635	116,489,635
2047	0	0	-	-	1,726,979,201	116,489,635	116,489,635
2048	0	0	-	103,618,752	1,830,597,953	123,479,013	123,479,013
2049	0	0	-	-	1,830,597,953	123,479,013	123,479,013
2050	0	0	-	109,835,877	1,940,433,830	130,887,754	130,887,754
2051	0	0	-	-	1,940,433,830	130,887,754	130,887,754
2052	0	0	-	116,426,030	2,056,859,860	138,741,019	138,741,019
Total			2,500	1,053,960,422			

1. Vacant land value calculated in year prior to construction as 10% build-out market value

Villa Bella Metropolitan District No. 1-3

Revenue

	Total Assessed Value in Collection Year	District Mill Levy Revenue			Expense		Total Revenue Available for Debt Service
		Debt Mill Levy 50.000 Cap 50.000 Target	Debt Mill Levy Collections 99.50%	Specific Ownership Taxes 6.00%	County Treasurer Fee 1.50%	Annual Trustee Fee	
2021	0	0.000	0	0	0	0	0
2022	0	0.000	0	0	0	0	0
2023	2,030,000	50.000	100,993	6,060	(1,515)	(4,000)	101,537
2024	7,135,100	50.000	354,971	21,298	(5,325)	(4,000)	366,945
2025	12,342,302	50.000	614,030	36,842	(9,210)	(4,000)	637,661
2026	18,272,386	50.000	909,051	54,543	(13,636)	(4,000)	945,959
2027	23,689,959	50.000	1,178,575	70,715	(17,679)	(4,000)	1,227,611
2028	30,515,481	50.000	1,518,145	91,089	(22,772)	(4,000)	1,582,462
2029	36,151,924	50.000	1,798,558	107,913	(26,978)	(4,000)	1,875,493
2030	43,948,411	50.000	2,186,433	131,186	(32,797)	(4,000)	2,280,823
2031	49,812,566	50.000	2,478,175	148,691	(37,173)	(4,000)	2,585,693
2032	58,660,959	50.000	2,918,383	175,103	(43,776)	(4,000)	3,045,710
2033	64,762,026	50.000	3,221,911	193,315	(48,329)	(4,000)	3,362,897
2034	74,749,036	50.000	3,718,765	223,126	(55,781)	(4,000)	3,882,109
2035	80,081,586	50.000	3,984,059	239,044	(59,761)	(4,000)	4,159,342
2036	87,047,832	50.000	4,330,630	259,838	(64,959)	(4,000)	4,521,508
2037	87,047,832	50.000	4,330,630	259,838	(64,959)	(4,000)	4,521,508
2038	92,270,702	50.000	4,590,467	275,428	(68,857)	(4,000)	4,793,038
2039	92,270,702	50.000	4,590,467	275,428	(68,857)	(4,000)	4,793,038
2040	97,806,944	50.000	4,865,895	291,954	(72,988)	(4,000)	5,080,861
2041	97,806,944	50.000	4,865,895	291,954	(72,988)	(4,000)	5,080,861
2042	103,675,360	50.000	5,157,849	309,471	(77,368)	(4,000)	5,385,952
2043	103,675,360	50.000	5,157,849	309,471	(77,368)	(4,000)	5,385,952
2044	109,895,882	50.000	5,467,320	328,039	(82,010)	(4,000)	5,709,350
2045	109,895,882	50.000	5,467,320	328,039	(82,010)	(4,000)	5,709,350
2046	116,489,635	50.000	5,795,359	347,722	(86,930)	(4,000)	6,052,151
2047	116,489,635	50.000	5,795,359	347,722	(86,930)	(4,000)	6,052,151
2048	123,479,013	50.000	6,143,081	368,585	(92,146)	(4,000)	6,415,520
2049	123,479,013	50.000	6,143,081	368,585	(92,146)	(4,000)	6,415,520
2050	130,887,754	50.000	6,511,666	390,700	(97,675)	(4,000)	6,800,691
2051	130,887,754	50.000	6,511,666	390,700	(97,675)	(4,000)	6,800,691
2052	138,741,019	50.000	6,902,366	414,142	(103,535)	(4,000)	7,208,972
Total			117,608,950	7,056,537	(1,764,134)	(120,000)	122,781,353

**Villa Bella Metropolitan District No. 1-3
Debt Service**

	Revenue Available for Debt Service	Interest Payment 6.000%	Balance of Accrued Interest	Principal Payment	Principal Balance	Debt Service		Released Revenue
						Series 2022(3)	Dated: 12/1/2022 Par: \$42,138,000 Proj: \$41,466,620	
2020								
2021					42,138,000			
2022	-	-	-	-	42,138,000	-	-	-
2023	101,537	101,537	2,426,743	-	42,138,000	101,537	-	-
2024	366,945	366,945	4,733,682	-	42,138,000	366,945	-	-
2025	637,661	637,661	6,908,323	-	42,138,000	637,661	-	-
2026	945,959	945,959	8,905,143	-	42,138,000	945,959	-	-
2027	1,227,611	1,227,611	10,740,121	-	42,138,000	1,227,611	-	-
2028	1,582,462	1,582,462	12,330,346	-	42,138,000	1,582,462	-	-
2029	1,875,493	1,875,493	13,722,954	-	42,138,000	1,875,493	-	-
2030	2,280,823	2,280,823	14,793,788	-	42,138,000	2,280,823	-	-
2031	2,585,693	2,585,693	15,624,002	-	42,138,000	2,585,693	-	-
2032	3,045,710	3,045,710	16,044,012	-	42,138,000	3,045,710	-	-
2033	3,362,897	3,362,897	16,172,036	-	42,138,000	3,362,897	-	-
2034	3,882,109	3,882,109	15,788,529	-	42,138,000	3,882,109	-	-
2035	4,159,342	4,159,342	15,104,780	-	42,138,000	4,159,342	-	-
2036	4,521,508	4,521,508	14,017,839	-	42,138,000	4,521,508	-	-
2037	4,521,508	4,521,508	12,865,681	-	42,138,000	4,521,508	-	-
2038	4,793,038	4,793,038	11,372,863	-	42,138,000	4,793,038	-	-
2039	4,793,038	4,793,038	9,790,477	-	42,138,000	4,793,038	-	-
2040	5,080,861	5,080,861	7,825,325	-	42,138,000	5,080,861	-	-
2041	5,080,861	5,080,861	5,742,263	-	42,138,000	5,080,861	-	-
2042	5,385,952	5,385,952	3,229,127	-	42,138,000	5,385,952	-	-
2043	5,385,952	5,385,952	565,202	-	42,138,000	5,385,952	-	-
2044	5,709,350	3,127,394	-	2,581,000	39,557,000	5,708,394	-	-
2045	5,709,350	2,373,420	-	3,336,000	36,221,000	5,709,420	-	-
2046	6,052,151	2,173,260	-	3,879,000	32,342,000	6,052,260	-	-
2047	6,052,151	1,940,520	-	4,112,000	28,230,000	6,052,520	-	-
2048	6,415,520	1,693,800	-	4,722,000	23,508,000	6,415,800	-	-
2049	6,415,520	1,410,480	-	5,005,000	18,503,000	6,415,480	-	-
2050	6,800,691	1,110,180	-	5,690,000	12,813,000	6,800,180	-	-
2051	6,800,691	768,780	-	6,032,000	6,781,000	6,800,780	-	587
2052	7,208,972	406,860	-	6,781,000	-	7,187,860	-	21,112
Total	122,781,353	80,621,654		42,138,000		122,759,654		21,699

Villa Bella Metropolitan District No. 1-3

Revenue

	Total	Operations Mill Levy Revenue			Expense	Total
	Assessed Value in Collection Year	O&M Mill Levy 10.000 Cap 10.000 Target	O&M Mill Levy Collections 99.50%	Specific Ownership Taxes 6.00%	County Treasurer Fee 1.50%	Revenue Available for Operations
2021	0	0.000	0	0	0	0
2022	0	0.000	0	0	0	0
2023	2,030,000	10.000	20,300	1,212	(305)	21,207
2024	7,135,100	10.000	71,351	4,260	(1,070)	74,540
2025	12,342,302	10.000	123,423	7,368	(1,851)	128,940
2026	18,272,386	10.000	182,724	10,909	(2,741)	190,892
2027	23,689,959	10.000	236,900	14,143	(3,553)	247,489
2028	30,515,481	10.000	305,155	18,218	(4,577)	318,795
2029	36,151,924	10.000	361,519	21,583	(5,423)	377,679
2030	43,948,411	10.000	439,484	26,237	(6,592)	459,129
2031	49,812,566	10.000	498,126	29,738	(7,472)	520,392
2032	58,660,959	10.000	586,610	35,021	(8,799)	612,831
2033	64,762,026	10.000	647,620	38,663	(9,714)	676,569
2034	74,749,036	10.000	747,490	44,625	(11,212)	780,903
2035	80,081,586	10.000	800,816	47,809	(12,012)	836,612
2036	87,047,832	10.000	870,478	51,968	(13,057)	909,389
2037	87,047,832	10.000	870,478	51,968	(13,057)	909,389
2038	92,270,702	10.000	922,707	55,086	(13,841)	963,952
2039	92,270,702	10.000	922,707	55,086	(13,841)	963,952
2040	97,806,944	10.000	978,069	58,391	(14,671)	1,021,789
2041	97,806,944	10.000	978,069	58,391	(14,671)	1,021,789
2042	103,675,360	10.000	1,036,754	61,894	(15,551)	1,083,096
2043	103,675,360	10.000	1,036,754	61,894	(15,551)	1,083,096
2044	109,895,882	10.000	1,098,959	65,608	(16,484)	1,148,082
2045	109,895,882	10.000	1,098,959	65,608	(16,484)	1,148,082
2046	116,489,635	10.000	1,164,896	69,544	(17,473)	1,216,967
2047	116,489,635	10.000	1,164,896	69,544	(17,473)	1,216,967
2048	123,479,013	10.000	1,234,790	73,717	(18,522)	1,289,985
2049	123,479,013	10.000	1,234,790	73,717	(18,522)	1,289,985
2050	130,887,754	10.000	1,308,878	78,140	(19,633)	1,367,384
2051	130,887,754	10.000	1,308,878	78,140	(19,633)	1,367,384
2052	138,741,019	10.000	1,387,410	82,828	(20,811)	1,449,427
Total			23,639,990	1,411,307	(354,600)	24,696,698

SOURCES AND USES OF FUNDS

**VILLA BELLA METROPOLITAN DISTRICT NO. 1-3
Pueblo County, Colorado**

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**GENERAL OBLIGATION DEVELOPER CASH FLOW BONDS, SERIES 2022(3)**

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2022 |
| Delivery Date | 12/01/2022 |

*Sources:*

|                |               |
|----------------|---------------|
| <hr/>          |               |
| Bond Proceeds: |               |
| Par Amount     | 42,138,000.00 |
| <hr/>          |               |
|                | 42,138,000.00 |
| <hr/> <hr/>    |               |

*Uses:*

|                              |               |
|------------------------------|---------------|
| <hr/>                        |               |
| Project Fund Deposits:       |               |
| Infrastructure Reimbursement | 41,466,620.00 |
| Cost of Issuance:            |               |
| Other Cost of Issuance       | 250,000.00    |
| Underwriter's Discount:      |               |
| Other Underwriter's Discount | 421,380.00    |
| <hr/>                        |               |
|                              | 42,138,000.00 |
| <hr/> <hr/>                  |               |

**BOND PRICING**

**VILLA BELLA METROPOLITAN DISTRICT NO. 1-3  
Pueblo County, Colorado**

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GENERAL OBLIGATION DEVELOPER CASH FLOW BONDS, SERIES 2022(3)

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
Term Bond Due 2052:	12/01/2052	42,138,000	6.000%	6.000%	100.000
		42,138,000			

Dated Date	12/01/2022		
Delivery Date	12/01/2022		
First Coupon	06/01/2023		
Par Amount	42,138,000.00		
Original Issue Discount			
Production	42,138,000.00	100.000000%	
Underwriter's Discount	(421,380.00)	(1.000000%)	
Purchase Price	41,716,620.00	99.000000%	
Accrued Interest			
Net Proceeds	41,716,620.00		

EXHIBIT D
Public Improvements and Costs

VILLA BELLA METROPOLITAN DISTRICTS

BASED ON CONCEPTUAL PLAN DATED 6-22-2021

IMPROVEMENT COST SUMMARY

DESCRIPTION		AMOUNT
GRADING AND EROSION CONTROL		\$ 5,166,667
MAJOR ROADWAYS & UTILITIES		\$ 31,556,000
MINOR ROADWAYS & UTILITIES		\$ 19,875,000
MAJOR DRAINAGE AND PONDS		\$ 5,016,667
MAJOR GAS/ELECTRIC EXTENSIONS		\$ 2,000,000
PARKS/OPEN SPACE/LANDSCAPING		\$ 14,800,000
		\$ 78,414,333
CONTINGENCY 15%		\$ 11,762,150
SOFT COSTS 10%		\$ 7,841,433
TOTAL		\$ 98,017,917

VILLA BELLA METROPOLITAN DISTRICTS

MAJOR ROADWAYS	60,000 LF	11 MILES	
INTERIOR ROADWAYS	2,500 LOTS	50 LF/LOT /2	62,500 LF

SANITARY - MAJOR ROADWAYS	40%	60,000 LF	\$	50 /LF	\$	1,200,000
WATER - MAJOR ROADWAYS	90%	60,000 LF	\$	100 /LF	\$	5,400,000
STORM - MAJOR ROADWAYS	40%	60,000 LF	\$	200 /LF	\$	4,800,000
STORM - DRAINAGE CHANNELS	100%	8,000 LF	\$	450 /LF	\$	3,600,000

SANITARY - INTERIOR ROADWAYS	100%	62,500 LF	\$	40 /LF	\$	2,500,000
WATER - INTERIOR ROADWAYS	100%	62,500 LF	\$	50 /LF	\$	3,125,000
STORM INTERIOR ROADWAYS	40%	62,500 LF	\$	110 /LF	\$	2,750,000

FULL SPECTRUM DET. PONDS	1/30 ac	500 AC	\$	85,000 /EA	\$	1,416,667
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MAJOR ROADWAYS-ASPH/C&G	60,000 LF					\$	14,960,000
INTERIOR ROADWAYS-ASPH/C&G	62,500 LF					\$	11,500,000

MAJOR ELECTRIC / GAS / COMM - EXTENSIONS - TBD	2500 LOTS	\$	800 /LOT	\$	2,000,000		
LIGHTING-MAJOR ROADWAYS	60,000 LF		240 LIGHTS	\$	400 /LIGHT	\$	96,000
LIGHT SIGNALS - MAJOR ROADWAYS			5 SIGNALS	\$	300,000 /SIGNAL	\$	1,500,000

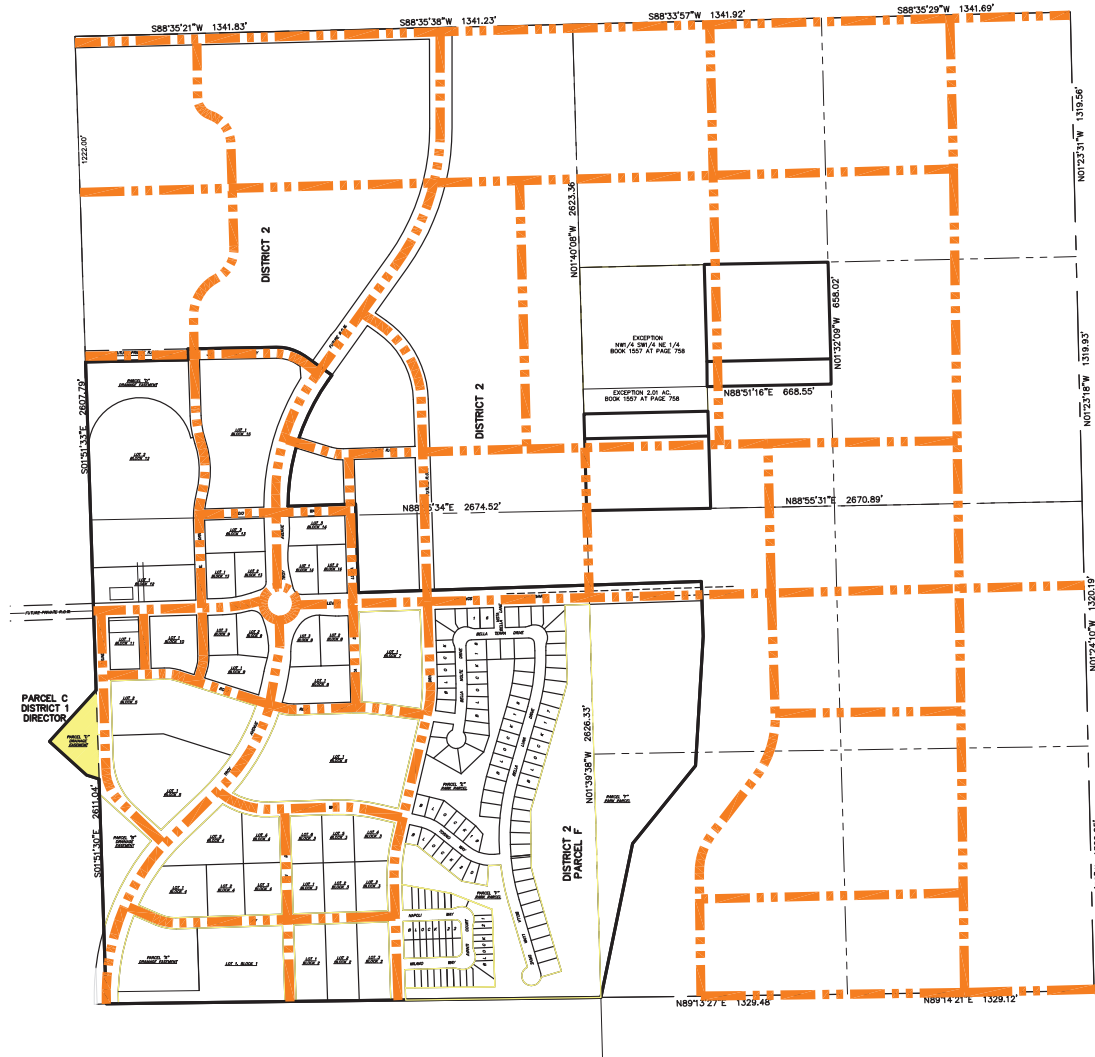
GRADING - ROADS FOR LOTS	20%	2500 LOTS	\$	5,000 /LOT	\$	2,500,000
GRADING - MAJOR ROADWAYS	100%	60,000 LF	\$	44 /LF	\$	2,666,667

SIDEWALK-MAJOR ROADWAYS	2 X	60,000 LF	\$	30 /LF	\$	3,600,000
LANDSCAPING-MAJOR ROADWAYS	2 X	60,000 LF	\$	40 /LF	\$	4,800,000
PARKS		50 AC	\$	120,000 /AC	\$	6,000,000
OPEN SPACE / TRAILS		100 AC	\$	40,000 /AC	\$	4,000,000

Subtotal		\$	78,414,333
15% Contingency		\$	11,762,150
10% Soft Costs		\$	7,841,433
Total		\$	98,017,917

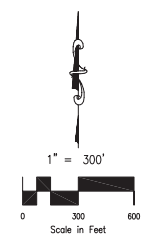
VILLA BELLA METRO DISTRICT MAP ROADS AND UTILITES

SECTION 16, AND SECTION 17, T20S, R64W OF THE 6th P.M., PUEBLO, COLORADO



 DISTRICT MAJOR ROADWAYS AND UTILITES

NOT SHOWN DISTRICT MINOR ROADWAYS AND UTILITES



METRO DISTRICT EXHIBIT
ROADS AND UTILITES
JOB NO. 43-138
DATE PREPARED: 06/22/2021
DATE REVISED:



CIVIL CONSULTANTS, INC. SHEET 1 OF 1

212 N. WASHINGTON AVE., STE. 305
COLORADO SPRINGS, CO 80903
PHONE: 719.535.5485

File: D:\VILLA BELLA PUEBLO\VILLA BELLA LINDHUS\Survey\42138 DISTRICT MAPS-Infrastructure.dwg PlotDate: 6/22/2021 4:17 PM

EXHIBIT E
Statutory Contents of this Service Plan

- I. A description of the proposed services;
- II. A financial plan showing how the proposed services are to be financed;
- III. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
- IV. A map of the Districts' boundaries and an estimate of the population and valuation for assessment of the Districts;
- V. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the Districts are compatible with facility and service standards of the City and of municipalities and special districts which are interested parties pursuant to § 32-1-204(I), C.R.S.;
- VI. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the Districts;
- VII. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the Districts and such other political subdivisions; and
- VIII. Information satisfactory to establish that each of the following criteria as set forth in §32-1-203, C.R.S., has been met:
 - (a) That there is sufficient existing and projected need for organized service in the area to be served by the Districts;
 - (b) That the existing service in the area to be served by the Districts is inadequate for the present and projected needs;
 - (c) That the Districts are capable of providing economical and sufficient service to the area within their boundaries;
 - (d) That the area to be included in the Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

EXHIBIT F
Proposed Intergovernmental Agreements

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF PUEBLO, COLORADO
AND
VILLA BELLA METROPOLITAN DISTRICT NOS. 1 - 3**

THIS AGREEMENT is made and entered into to be effective as of this ____ day of _____, 2021, by and between the **CITY OF PUEBLO**, a municipal corporation of the State of Colorado (the "City"), and **VILLA BELLA METROPOLITAN DISTRICT NOS. 1 - 3**, each a quasi-municipal corporation and political subdivision of the State of Colorado (collectively, the "Districts"). The City and the Districts are collectively referred to as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, the Villa Bella Metropolitan District Nos. 1-3 were formed in 2008 after the City approved the Consolidated Service Plan on September 13, 2021 (the "Service Plan") for the purpose of assisting in the financing and development of the area generally located north of Cesar Chavez Boulevard (SH 47) and west of Baculite Mesa Road within the boundaries of the City of Pueblo, Colorado (the "Service Area"); and

WHEREAS, the Districts were organized to provide those services and to exercise powers as are more specifically set forth in the Consolidated Service Plan for Villa Bella Metropolitan District Nos. 1-3 approved by the City Council of the City of Pueblo on September 13, 2021 (the "Service Plan"); and

WHEREAS, the Service Plan makes reference to and contemplates an intergovernmental agreement between the City and the Districts; and

WHEREAS, the City and the Districts have determined it to be in their best interests to enter into this Intergovernmental Agreement;

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

COVENANTS AND AGREEMENTS

1. Application of Local Laws. The Districts hereby acknowledge and agree that the property within their respective boundaries shall be subject to the ordinances, rules and regulations of the City and the Annexation and Development Agreements as approved by the City related to the property within the boundaries of the proposed Districts, and the approval of the Service Plan shall not be construed as representing approval of any alteration or amendment by the City of any such ordinances, rules, regulations or agreement. The Districts hereby further acknowledge that all the property

within their respective boundaries is subject to all of the City's current ad valorem property taxes and to any future amendments thereof.

2. Nature of Districts. The parties acknowledge that the Districts were organized for the purpose of providing public improvements and services for the benefit of the area within its boundaries, as the same are generally contemplated in the Service Plan. Villa Bella Metropolitan District No. 1, the "Coordinating District," agrees that it is organized for the purpose of coordinating the construction, installation, acquisition, operations and maintenance, and financing of certain public improvements for the service area designated as the proposed Villa Bella development including the Future Inclusion Area Districts in accordance with the Service Plan for the Districts and this Agreement.

3. Change in Boundaries. As contemplated in the Service Plan, the Districts shall have full authority to expand their initial boundaries via the inclusion/exclusion process in order to incorporate the Combined Area (as that term is defined in the Service Plan) as the organizers acquire it. The Districts shall be permitted to make boundary adjustments with respect to the property located within their boundaries as contemplated in the Service Plan (together with any permitted inclusions), without prior City approval. The Districts shall also be permitted to include additional property outside of the Combined Area, with the prior approval of the City Council of the City. Exclusions may be effected in accordance with applicable law. Notice of all such inclusions or exclusions shall be provided to the City pursuant to the annual reporting requirements set forth in the Service Plan.

4. Material Modifications. Material modifications to the Service Plan shall require prior approval by the City as provided in Section 32-1-207, C.R.S. The term "material modification" shall mean:

- a. Any matter specified in Section 32-1-207(2), C.R.S.;
- b. Issuance of Debt without incorporating the Mill Levy Cap as defined in the Service Plan;
- c. Issuance of Debt in excess of the Debt Limit as defined in the Service Plan, as amended from time to time;
- d. Inclusion or attempted inclusion of property beyond the Districts' boundaries as described in the exhibits of the Service Plan; and

Nothing shall prohibit the Districts from complying with the provisions of Section 32-1-207(3)(b), C.R.S., relating to the publication of notices of action potentially constituting a material modification, requiring mailed notice to the City on or prior to the publication, and providing for the opportunity of the City to respond to same. In the event the Districts comply with the provisions of said statutory section, and in the absence of any action by the City as required under said section to enjoin the proposed District(s) action, the District(s) shall be authorized to undertake same and such action shall not be considered a material modification of the Service Plan.

5. Ownership of Improvements/Dedications. It is planned that all public improvements shall be dedicated either to the City or to other governmental entities for ownership, operations and maintenance. Those improvements which will be dedicated to the City will be designed and constructed in accordance with standards adopted by the City. Any improvements that are to be dedicated to other governmental entities will be designed and constructed in accordance with the standards of such entities. The Districts shall be authorized to operate and maintain public improvements until such time they are dedicated to the City or other governmental entity. Any improvements not accepted by the City or other appropriate governmental entity for ongoing ownership, operations and/or maintenance, may be owned, operated and/or maintained by the Districts. The timing for conveyance of improvements to the City will be developed by mutual agreement between the Coordinating District and the City. Any dedication of public improvements to the City shall be made in accordance with and subject to the then-applicable ordinances, policies and regulations of the City pertaining thereto.

The Districts shall undertake ownership, operation and maintenance of those public facilities, and shall furnish related services, or shall dedicate and convey to the City or to other public entity those facilities shown for such dedication and conveyance as set forth the schedule of disposition of facilities attached hereto as **Exhibit A** and incorporated herein by reference.

6. Consolidation. The Districts shall be permitted to consolidate with one another without prior City approval, subject to the requirements of applicable law. The Districts may not consolidate with any other special district except upon adoption of a Resolution by the City Council of the City approving the same.

7. Dissolution. Upon an independent determination by the City Council that the purposes for which the Districts were created have been accomplished, the District shall file petitions in the appropriate District Court for dissolution in accordance with the applicable State statutes. In no event shall dissolution occur until the Districts have provided for the payment or discharge of all of their outstanding indebtedness or other financial obligations as required pursuant to State statutes and provided for the operations and maintenance of all District public improvements not otherwise dedicated to the City or another public entity.

8. Annual Report. The District shall be responsible for submitting an annual report, as described in §32-1-207(3), C.R.S., in the form prescribed by the City, pursuant to and including the information set forth in the Service Plan.

9. Conservation Trust Fund; Great Outdoors Colorado. The Districts shall not request or apply for revenues from Conservation Trust Funds or from Great Outdoors Colorado, unless the same are separately approved by the City.

10. Entire Agreement of the Parties. This written Agreement constitutes the entire agreement between the City and the Districts with respect to the subject matter contained herein and hereby supersedes any and all prior agreements, negotiations, representations and/or understandings pertaining to the same, whether written or oral.

11. Amendment. This agreement may only be amended, modified, changed, or terminated, in whole or in part, by way of a writing that has been properly authorized and executed by the City and the Districts.

12. Enforcement. The parties agree that this agreement may be enforced in law or in equity as may be available according to the laws of the State of Colorado. The foregoing shall include, but not be limited to, grants of specific performance, injunctive relief, damages, or other appropriate relief. In the event the City seeks enforcement of this Agreement by an action filed in the District Court, and is the prevailing party in such enforcement action based upon the entry of a final, non-appealable court order, the Districts (or the District to which the enforcement action pertains) shall be responsible for reasonable attorneys fees and court costs in regard to such action.

13. Venue. Venue for the trial of any action arising out of any dispute hereunder shall be in the appropriate District Court of the State of Colorado pursuant to the appropriate rules of civil procedure.

14. Beneficiaries. Except as otherwise stated herein, this agreement is intended to describe the rights and responsibilities of and between the City and the Districts and is specifically not intended to, nor shall it be deemed to confer, any rights upon any third persons or entities not a party hereto.

15. Effect of Invalidity. If any clause or provision of this Agreement is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this Agreement as a whole, but shall be severed herefrom, leaving the remaining Agreement intact and enforceable.

16. Assignability. Neither the City nor the District shall assign their rights or delegate their duties hereunder without the prior written consent of the other party.

17. Successors and Assigns. This agreement and the rights and obligations created hereby shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

18. 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.

IN WITNESS WHEREOF, the City and the Districts have executed this Agreement on the date and year first above written:

**VILLA BELLA
METROPOLITAN DISTRICTS NOS. 1-3**

By: _____
President

ATTEST:

By: _____
Secretary

CITY OF PUEBLO, COLORADO

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

EXHIBIT A
SCHEDULE OF FACILITIES DISPOSITION

1. Streets and Roadways.

Upon acceptance, conveyed to the City for ownership, operation and maintenance unless otherwise agreed to by the City and the Districts.

2. Traffic and Safety Protection.

Unless otherwise agreed to between City and Districts, upon acceptance, conveyed to the City for ownership, operation and maintenance.

3. Drainage/Stormwater Facilities.

Owned, operated and maintained by District unless accepted and conveyed to the City for ownership, operation and maintenance.

4. Sanitation.

Upon acceptance, conveyed to the City for ownership, operation and maintenance.

5. Water.

a. Potable water facilities: Upon acceptance, conveyed to the City for ownership, operation and maintenance.

b. Non-potable water facilities: Non-potable water facilities servicing the District's open space area(s) and to the individual property owners (if applicable) will be owned, operated and maintained by District.

6. Parks and Recreation.

Recreational facilities, as well as certain greenbelts, open spaces, trails, landscaping and streetscaping features will be owned, operated and maintained by District or City in accordance with Approved Development Plans or otherwise agreed to by the Parties.

7. Transportation.

(If applicable) Owned, operated and maintained by District unless accepted and conveyed to the City for ownership, operation and maintenance.

8. Mosquito Control

Owned, operated and maintained by District unless accepted and conveyed to the City.

9. Security Services and Covenant Enforcement

Owned, operated and maintained by District or upon acceptance, conveyed to a property owners association or other governmental entity.

INTERGOVERNMENTAL AGREEMENT CONCERNING
DISTRICT OPERATIONS AND COORDINATED SERVICES

THIS INTERGOVERNMENTAL AGREEMENT CONCERNING DISTRICT OPERATIONS (the “Agreement”) is made and entered into to be effective as of the ____ day of _____, 2021 (the “Effective Date”), by and among VILLA BELLA METROPOLITAN DISTRICT NO. 1 (“District No. 1” or “Coordinating District”) and VILLA BELLA METROPOLITAN DISTRICT NO. 2 (“District No. 2”), VILLA BELLA METROPOLITAN DISTRICT NO. 3 and (“District No. 3”), District No. 2 and District No. 3, each a “Financing District” and collectively the “Financing Districts”, individually referred to herein as a “District” or “Party” or, the Coordinating District and the Financing Districts collectively referred to herein as the “Districts” or “Parties” as the context indicates. The Districts are each quasi-municipal corporations and political subdivisions of the State of Colorado.

RECITALS

WHEREAS, the Districts have been duly and validly organized as quasi-municipal corporations and political subdivisions of the State of Colorado, in accordance with the provisions of §§ 32-1-101, et seq., Colorado Revised Statutes (the “Special District Act”), with the power to provide for the financing, construction, installation, operation and maintenance of public infrastructure and improvements, as described in the Special District Act, within and without their respective boundaries, as authorized and in accordance with the “Consolidated Service Plan for Villa Bella Metropolitan District No. 1, No. 2 and No. 3,” for the Districts, as the same may be amended from time to time (the “Service Plan”); and

WHEREAS, the formation of the Districts was approved by the City of Pueblo (the “City”) City Council on September 13, 2021, in conjunction with the approval of the Service Plan for the Districts and by the Districts’ respective electors at the Districts’ organizational elections held on November 2, 2021; and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each District, and any such contract may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt; and

WHEREAS, § 29-1-201, C.R.S., permits and encourages governments to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the Districts are empowered to enter into contracts and agreements affecting the affairs of the Districts; and

WHEREAS, the purposes for which the Districts were formed include the provision of, among other things, street, traffic and safety, water, sanitation, parks and recreation, public transportation, television relay and translation, mosquito control and security improvements (collectively, the “Public Improvements”), as further provided in the Service Plan; and

WHEREAS, pursuant to the Service Plan, the Districts are to work together and coordinate their efforts with respect to all activities contemplated in the Service Plan, including, but not limited to, the management and administration of the Districts, structuring of financing, coordination of construction, and the operations and maintenance of Public Improvements serving the Districts, with the Coordinating District acting on behalf of the Districts in regard thereto; and

WHEREAS, the Service Plan further contemplates that the Coordinating District will own (subject to discretionary transfer to other governmental entities or authorities), construct, operate and maintain the Public Improvements described in the Service Plan benefiting the Districts, and that the Financing Districts will assist in the payment of costs related thereto; and

WHEREAS, the Service Plan discloses and establishes the necessity for and desirability of an intergovernmental agreement or intergovernmental agreements between and/or among the Districts concerning the manner in which the Districts shall implement their Service Plan, and the role of the Coordinating District with respect thereto; and

WHEREAS, in furtherance of the Service Plan and for the purpose of providing for the Public Improvements, the Coordinating District has or will enter into certain reimbursement agreements with Caleb Development and/or its affiliates, successors or other developers (collectively, the “Developer”) pursuant to which (i) the Developer agrees to advance funds to the Coordinating District to pay for costs associated with the construction of Public Improvements for the Districts and the Coordinating District agrees to reimburse the Developer for such advances, with such reimbursement obligation evidenced through the issuance of one or more subordinate promissory note(s) to the Developer, and/or alternatively, (ii) the Developer agrees to construct Public Improvements on behalf of the Districts and the Coordinating District agrees to purchase such Public Improvements or pay for such Public Improvements that may be dedicated to other public entities, with the payment for the Public Improvements evidenced through the issuance of one or more subordinate promissory note(s) to the Developer in the event Coordinating District lacks sufficient funds to pay for such Public Improvements at the time of acquisition or dedication (collectively, the “Developer Obligations”); and

WHEREAS, for the purpose of financing the Public Improvements (including paying amounts due or that become due under the Developer Obligations and to finance additional Public Improvements) and at such reasonable times as determined by the Board of Directors (the “Board”) of Coordinating District, the Board anticipates issuing one or more series of bonds or other debt instruments (the “Bonds”), which Bonds will be secured by certain pledged revenues of the Financing Districts, as more particularly described herein and in any Bond resolution, indenture, pledge agreement, loan document and/or any other document related to the issuance of such Bonds; and

WHEREAS, upon the issuance of any Bonds by Coordinating District, it is anticipated that the Districts will enter into a capital pledge agreement (“Pledge Agreement”) pursuant to which the Financing Districts will pledge certain revenues to the Coordinating District for the payment of any Bonds issued by the Coordinating District and covenant to take certain actions with respect to generating such revenues, for the benefit of the holders of the Bonds; and

WHEREAS, it is anticipated that certain of the Public Improvements will be dedicated or otherwise conveyed to the City, the County, or other public entity, or to an owners' association within the boundaries of the Districts, and that the Coordinating District: (i) will own, operate and maintain all Public Improvements within the boundaries of the Districts that are not dedicated to the City, County, any other public entity, or an owners' association; and (ii) may provide trash service, architectural review, and covenant enforcement services to all or a portion of the property within the boundaries of the Districts; and

WHEREAS, the Districts have evaluated their respective roles, responsibilities and obligations with respect to the provision of Public Improvements, including ownership, operation and maintenance of the Public Improvements (to the extent not dedicated to another governmental entity) and the provision of administrative services for the Districts, and the funding of the same, and desire to enter into this Agreement for the purpose of consolidating all understandings and commitments between such parties relating to the funding and provision of Public Improvements, and the operation and maintenance thereof, and administrative services for the Districts; and

WHEREAS, based on the integrated nature of the Public Improvements and that the Districts are part of an integrated project and coordination is necessary to maintain the integrity of the project, the Districts have independently determined that implementation of this Agreement is essential to the orderly administration of the affairs of the Districts and the coordinated operation and maintenance of Public Improvements benefiting the Districts, their residents and taxpayers; and

WHEREAS, the Districts understand that it may be necessary for additional agreements to be executed between and/or among them regarding matters addressed herein, but desire at this time to establish by this Agreement the general framework for implementation of the provisions of the Service Plan.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Districts hereby agree as follows:

1. Funding of Capital Costs. The Districts acknowledge that the Service Plan anticipates that the Districts will cooperate to provide for Public Improvements necessary to serve development within their common service area. In furtherance of the Districts' Service Plan, the Financing Districts further acknowledge that the Coordinating District will and/or has incurred certain Developer Obligations associated with the acquisition, construction and installation of Public Improvements for the benefit of the Financing Districts, and that Developer Obligations will be refunded from the proceeds of Bonds issued by Coordinating District. The Financing Districts agree to repay any Developer Obligations as provided in paragraph 5 hereof. Notwithstanding any other provisions contained herein, each Financing District may, in its sole discretion, determine to provide such funding as is necessary to provide for the financing, acquisition, construction, and installation of the Public Improvements, including the repayment of any Developer Obligations, in such manner as may be deemed most efficient and effective to implement the objectives of the Service Plan, subject to the limitations of the Service Plan.

2. Ownership, Operation and Maintenance of Public Improvements. It is acknowledged that all Public Improvements funded by the Districts will be either dedicated to the City or other governmental entity, owners' association, or will be owned and operated by the Coordinating District (the "District-Owned Improvements"). With respect to the District-Owned Improvements, the Financing Districts hereby engage the Coordinating District, and the Coordinating District hereby accepts such engagement, as the "operator" of the District-Owned Improvements, which engagement the Districts hereby agree and acknowledge is further defined and limited by the following:

- a) Subject to clause (f) hereof, the Coordinating District shall hold fee simple title to the District-Owned Improvements and shall operate and maintain the same solely on behalf of, and for the benefit of, the Financing Districts and the property owners and residents thereof. The Coordinating District shall not impose any fees for the use of the District-Owned Improvements by property owners and residents of the Financing Districts, except as expressly agreed by the applicable Financing District(s). The Coordinating District shall engage all contractors required to carry out all functions necessary for the operation and maintenance of the District-Owned Improvements, provided that any such engagement shall be subject to termination upon the same notice provided in clause (f) hereof.
- b) The Coordinating District shall operate the District-Owned Improvements in accordance with such written guidance (including operating policies and procedures, and minimum maintenance standards) as may be provided by the Financing Districts and agreed upon by the Coordinating District. Operation of the District-Owned Improvements shall include obtaining necessary insurance for the District-Owned Improvements, in the manner determined appropriate by the Coordinating District (subject to any direction by the Financing Districts) and in compliance with applicable law, and providing such other specific services as may be set forth in a writing executed by the applicable parties hereto. Until such time as any such guidance is provided by the Financing Districts, the District-Owned Improvements shall be operated and maintained in such manner as is reasonably determined from time to time by the Coordinating District, subject to the funding of costs of such operation and maintenance (including insurance premiums and related costs) by the Financing Districts, as applicable (as more particularly provided in clause (f) hereof). Any written document providing for a level or standard of operation or maintenance of the District-Owned Improvements executed by the Coordinating District and the Financing Districts, as applicable, shall constitute a supplement to this Agreement, shall be binding upon the applicable parties hereto, and may not be amended except by written agreement executed by the applicable parties.
- c) The Coordinating District shall not sell, transfer, convey or otherwise encumber any portion of the District-Owned Improvements without the prior written consent of the applicable Financing District(s) in which the District-Owned Improvements are located, unless such District-Owned Improvements are determined by the Districts to equally benefit more than one or all of the Financing Districts, in which case the Financing Districts benefited by the District-Owned Improvements shall provide written consent prior to the sale, transfer or conveyance of the District-Owned

Improvements by the Coordinating District. The Coordinating District shall cause the proceeds of any sale of any portion of the District-Owned Improvements to be paid to or at the direction of the applicable Financing Districts(s).

- d) If, at the request of the City or if the Board of Coordinating District deems it to be in the best interests of Coordinating District, that Coordinating District pursue dissolution in accordance with Section 32-1-701, et seq., C.R.S., Coordinating District shall cause all District-Owned Improvements to be conveyed to, or at the direction of, the Financing Districts prior to dissolution.
- e) Any Financing District may determine to terminate its engagement of the Coordinating District as operator of the District-Owned Improvements that solely benefit such Financing District at any time, upon 90 days written notice. If certain District-Owned Improvements equally benefit more than one or all of the Financing Districts, then all Financing Districts benefited by such District-Owned Improvements must agree to terminate their engagement of the Coordinating District as operator of such District-Owned Improvements. No later than 90 days after the receipt of any written notice of any such termination, the Coordinating District shall cause legal title in the District-Owned Improvements to be conveyed to or at the direction of the applicable Financing Districts(s) seeking termination as provided herein, and shall cause all contracts relating to the operation and maintenance of the District-Owned Improvements to be assigned to or at the direction of the applicable Financing Districts(s) seeking termination of their engagement of the Coordinating District.
- f) The obligation of the Coordinating District to operate and maintain the District-Owned Improvements is subject to the Financing Districts providing moneys sufficient to fund the same. Each Financing District hereby agrees that, so long as it has not terminated the engagement of the Coordinating District as operator of the District-Owned Improvements as provided in clause (e) hereof, each Financing District shall impose ad valorem property taxes and/or fees sufficient to fund the operation and maintenance costs of the District-Owned Improvements at the levels or standards set forth in a written agreement among the Coordinating District and the Financing Districts or, in the event no written agreement with respect to a level or standard has been executed, as may be determined by the Coordinating District from time to time. The Coordinating District shall submit to the Financing Districts, no later than September 30, or such other date as may be agreed upon by the Districts, an estimate of the costs anticipated for operation and maintenance of the District-Owned Improvements benefitting each District. Each Financing District shall, in its sole discretion, accept or modify such estimate, which acceptance or modification shall be reflected in the annual adopted budgets of the Financing Districts. The Coordinating District shall be obligated to provide the operation and maintenance of the District-Owned Improvements only to the extent of funding made available by the Financing Districts. Under no circumstances shall the Coordinating District be obligated to fund operation and maintenance costs of the District-Owned Improvements, or to provide operating and maintenance services that are not funded by the Financing Districts.

- g) The Coordinating District agrees to provide those operation and maintenance services described herein (the “O&M Services”) for the benefit of the Districts, provided that each Financing District observes and performs the covenants and agreements set forth in this Agreement. The Coordinating District may suspend or curtail O&M Services in its discretion as necessary or appropriate to address funding shortfalls that have occurred or are anticipated. The Coordinating District shall have the authority to enter into service contracts with third-parties to provide any O&M Services required to be provided by the Coordinating District. The Coordinating District may adopt rules, regulations, policies and procedures governing the Coordinating District’s acceptance and, as applicable, reimbursement for any Public Improvements.

3. Administrative Services. The Districts hereby acknowledge and agree that the Service Plan contemplated that the Coordinating District will perform various administrative functions for the Financing Districts, including but not limited to preparation of annual budgets, engagements of legal counsel and other consultants, and statutory compliance measures. The Financing Districts hereby engage the Coordinating District, and the Coordinating District hereby accepts such engagement, as the “district administrator,” which engagement the Districts hereby agree and acknowledge is further defined and limited by the following:

- a) Subject to clause (d) hereof, the Coordinating District shall perform, or cause to be performed, the following administrative services for the Financing Districts: accounting, legal, management, insurance administration, election administration, budget and audit preparation, preparation of notices, meeting materials, district information, record keeping, financial planning, and any other services required from time to time to ensure statutory compliance of the Districts. The Coordinating District shall engage all contractors required to carry out all functions necessary for the provisions of such administrative services, provided that any such engagement shall be subject to termination upon the same notice provided in clause (c) hereof.
- b) The Coordinating District shall provide the administrative services in accordance with such written guidance (including policies and procedures) as may be provided by the Financing Districts and agreed upon by the Coordinating District. Until such time as any such guidance is provided by the Financing Districts, the Coordinating District shall provide such administrative services in such manner as is reasonably determined from time to time by the Coordinating District, subject to the funding of costs thereof by the Financing Districts (as more particularly provided in clause (d) hereof).
- c) One or more of the Financing Districts may determine to terminate its engagement of the Coordinating District as district administrator at any time, upon 90 days written notice. No later than 90 days after the receipt of any written notice of any such termination, the Coordinating District shall cause all contracts relating to the provision of administrative services for the applicable Financing District(s) seeking termination to be assigned to or at the direction of the applicable Financing Districts.
- d) The obligation of the Coordinating District to provide the administrative services is subject to the Financing Districts providing moneys sufficient to fund the same. The

Financing Districts hereby agree that, so long as it has not terminated the engagement of the Coordinating District as district administrator as provided in clause (c) hereof, the Financing Districts shall impose ad valorem property taxes and/or fees sufficient to fund the costs of administrative services, as such costs are estimated and set forth from time to time in the annual budgets of the Financing Districts. The Coordinating District shall submit to the Financing Districts, no later than September 30, or such other date as may be agreed upon by the Districts, an estimate of the costs anticipated for such administrative services. The Financing Districts shall, in their sole discretion, accept or modify such estimate, which acceptance or modification shall be reflected in the annual adopted budgets of the Financing Districts. The Coordinating District shall be obligated to provide the administrative services described in clause (a) above only to the extent of funding made available by the Financing Districts. Under no circumstances shall the Coordinating District be obligated to fund administrative costs, or to provide administrative services that are not funded by the Financing Districts.

e) The Coordinating District may suspend or curtail Administrative Services in its discretion as necessary or appropriate to address funding shortfalls that have occurred or are anticipated. The Coordinating District shall have the authority to enter into service contracts with third-parties to provide any Administrative Services required to be provided by the Coordinating District. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

4. Effectuation of Pledge of Security, Current Appropriation. The sums herein required to pay the amounts due hereunder are hereby appropriated for that purpose, and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Boards of Directors of the Financing Districts in each year while any of the obligations herein authorized are outstanding and unpaid. No provisions of any constitution, statute, resolution or other order or measure enacted after the execution of this Agreement shall in any manner be construed as limiting or impairing the obligation of the Financing Districts to levy ad valorem property taxes, or as limiting or impairing the obligation of the Financing Districts to levy, administer, enforce and collect the ad valorem property taxes as provided herein for the payment of the obligations hereunder.

5. Outstanding Capital Costs. The Financing Districts acknowledge that amounts owing for any Developer Obligations incurred by the Coordinating District represent the costs of Public Improvements benefiting the Financing Districts. The Financing Districts hereby agree that, upon the refunding of any amounts outstanding under the Developer Obligations with proceeds of any Bonds issued by Coordinating District, the Financing Districts shall also pay such remaining and future Developer Obligations from one or more of the following sources: (i) proceeds of bonds or other indebtedness issued by District No. 2, and/or District No. 3 and any refundings thereof; and/or (ii) any other revenues of the Financing Districts which the Financing Districts determine, in its sole discretion, are available for such purpose, including ad valorem property revenues generated by the Financing Districts. The Districts hereby acknowledge and agree that the Financing Districts' agreement to repay the Developer Obligations as provided in this Paragraph 5 may not be terminated by any of the Financing Districts, unless this Agreement is amended in

writing and duly executed by the Districts, and further provided that such termination does not violate any provision or covenant set forth in any bond resolution, indenture, pledge agreement, loan document and/or any other document related to any Bonds issued by Coordinating District and/or any bonds or other indebtedness issued by any of the Financing Districts. The Financing Districts hereby agree, for the benefit of the Developer (which is hereby made a third-party beneficiary hereto) that the net proceeds of any obligations of the Financing Districts shall first be applied to the payment of any amounts outstanding under the Developer Obligations due to the Developer, prior to the application of such proceeds to any other purpose.

6. Coordinating District Compensation. The compensation for the provision of services described hereunder by the Coordinating District shall be agreed upon by the Districts each year, on or before the adoption of an annual budget by the Financing Districts.

7. Deposit. Unless otherwise agreed by the Coordinating District, each Financing District, on or before the 15th day of each month, shall deposit with the Coordinating District an amount equal to 1/12th of the annual Costs due from such Financing District as determined by the Final Budget. Notwithstanding the foregoing, the Districts acknowledge that the Financing Districts may fund the Costs via the imposition of an ad valorem mill levy, and in such case, may not have funds available during the first quarter of each fiscal year to make the payments set forth herein. In such event, the Coordinating District agrees to defer collection of such amounts until such time as the Financing Districts have collected the funds for the Costs via the collection of taxes imposed through an ad valorem mill levy. All Costs due to the Coordinating District from the Financing Districts shall be paid in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to the Coordinating District, or such other method as may be mutually agreed to by the Districts. The Coordinating District shall keep a record of and account for all deposits made by the Financing Districts in accordance with generally acceptable accounting principles.

8. Fees and Charges. The Districts acknowledge that the Coordinating District will incur certain direct and indirect costs associated with the provision of the O&M Services in order to properly provide the O&M Services and to ensure that the health, safety and welfare of the Districts and their inhabitants may be safeguarded. The Financing Districts further recognize and acknowledge that the Coordinating District is providing the O&M Services for the direct benefit of the Financing Districts and the property owners within their boundaries, and that pursuant to §32-1-1001(1)(j)(I), C.R.S., the Coordinating District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the Coordinating District which, until paid, shall constitute a perpetual lien on and against the property served. The Districts agree that the Coordinating District may from time to time establish a fair and equitable fee to provide a source of funding to pay for the O&M Services (the "User Fees"), which User Fees are to be reasonably related to the overall cost of providing the O&M Services, and be imposed on those who are reasonably likely to benefit from or use the O&M Services (the "Users"). The Financing Districts acknowledge that the Coordinating District will make a determinations as to the appropriate User Fees, taking into account mill levy revenues to be received from the Financing Districts in each fiscal year. The Financing Districts agree to cooperate with the Coordinating District in the collection of all User Fees due and owing, including but not necessarily limited to foreclosure as against the statutory perpetual lien associated with such User Fees.

9. Subject to Annual Appropriation and Budget. Notwithstanding anything contained herein to the contrary, the Districts agree that the Districts' obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board of each District and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this Agreement shall be construed or interpreted as a delegation of governmental powers by the Districts, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the Districts, including, without limitation, Article X, Section 20, or Article XI, Sections 1, 2 or 6 of the Constitution of the State of Colorado.

10. Rules and Regulations. The Districts acknowledge and agree that the Coordinating District may enact, from time to time, rules and regulations with respect to the Public Improvements and Services. All rules and regulations, and amendments thereto, adopted and placed in force by the Coordinating District from time to time shall be fully enforceable within all Districts and against all Users. The Financing Districts agree to exercise authority and/or power they may have to assist the Coordinating District in enforcing the Coordinating District's rules and regulations.

11. Coordinating District Termination Rights. The Coordinating District shall have the option to terminate the provisions hereof pertaining to its engagement as operator of the Public Improvements (as provided in paragraph 2 hereof) and/or district administrator (as provided in paragraph 3 hereof) to one or more of the Financing Districts upon 90 days prior written notice to the applicable Financing District(s). In addition, in the event that one or more of the Financing Districts cannot agree upon a budget for the provision of such services, including the Coordinating District's compensation for the same, the Coordinating District shall have the option to terminate this agreement (with respect to the services described in paragraph 2, paragraph 3, or both) with the applicable Financing District(s). Upon the termination of the portion of this Agreement pertaining to the services provided in paragraph 2 hereof, the Coordinating District shall cause legal title in the District-Owned Improvements to be conveyed to, or at the direction of, the applicable Financing District(s), and shall cause all contracts relating to the operation and maintenance of such District-Owned Improvements to be assigned to or at the direction of the applicable Financing District(s).

12. No Unintended Third-Party Beneficiaries. 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 parties hereto, any rights, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the parties shall be for the sole and exclusive benefit of the parties, except as provided in paragraph 5 hereof. The covenants, terms, conditions, and provisions contained herein shall inure to and be binding upon the representatives, successors, and permitted assigns of the parties hereto. Except as provided in paragraph 5 hereof, this Agreement is not intended to create any third-party beneficiaries, implied trusts, or similar implied agreements, nor may the provisions hereof be enforced by any person or entity not a party hereto, including without limitation, the owners of bonds issued by the Districts.

13. Amendment. This Agreement may be amended from time to time by agreement among the Districts; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the Districts unless the same is in writing and duly executed by all of the Districts.

14. Assignment. Except as set forth herein or as contemplated in the Service Plan, neither this Agreement, nor any District's rights, obligations, duties or authority hereunder may be assigned in whole or in part by any District without the prior written consent of all the other Districts. Any such attempt of assignment without the requisite consent shall be deemed void and of no force and effect at the election of any District with consent rights. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

15. Instruments of Further Assurance. The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

16. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

17. 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.

18. Recovery of Costs. In the event of any litigation between or among the Districts hereto concerning the subject matter hereof, the prevailing District(s) in such litigation shall be entitled to receive from the losing District(s), in addition to the amount of any judgment or other award entered therein, all reasonable costs and expenses incurred by the prevailing District(s) in such litigation, including reasonable attorneys' fees.

19. Governmental Immunity. Nothing herein shall be construed as a waiver of the rights and privileges of the Districts pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S., as amended from time to time.

20. Integration. This Agreement contains the entire agreement between and among the Districts regarding the subject matter hereof, and no statement, promise or inducement made by any District or the agent of any District that is not contained in this Agreement or separate written instrument shall be valid or binding.

IN WITNESS WHEREOF, the Districts have executed this Agreement on the date first above written.

VILLA BELLA METROPOLITAN
DISTRICT NO. 1

By: _____
Its: President

ATTEST:

By: _____
Its: _____

VILLA BELLA METROPOLITAN
DISTRICT NO. 2

By: _____
Its: President

ATTEST:

By: _____
Its: _____

VILLA BELLA METROPOLITAN
DISTRICT NO. 3

By: _____
Its: President

ATTEST:

By: _____
Its: _____

EXHIBIT G
Notice of Special District Disclosure

Name of District(s):	Villa Bella Metropolitan Districts Nos. 1, 2, and 3
Contact Information for District:	Spencer Fane LLP 1700 Lincoln, Suite 2000 Denver, Colorado 80203 (303) 839-3800
Type of Districts:	Metropolitan district organized pursuant to C.R.S. 32-1-101 <i>et seq.</i> The District will provide operating and maintenance of certain public improvements within the Villa Bella development, which operations and maintenance functions may be provided through intergovernmental agreements
Identify Districts' Improvements Financed by Proposed Bonds:	Streets and safety protection improvements On and off-site utilities, including water and wastewater improvements Storm Drainage improvements Recreational facilities and park improvements, including, but not limited to, entry parks, neighborhood parks, pocket parks, trails and pools Landscaping within public right-of-way Fire protection improvements including, but limited to, a fire station Any other improvements authorized by Article 1, Title 32, C.R.S. of the Special District Act
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 Villa Bella development.
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>	Maximum Debt Mill Levy = sixty (60) mills for Districts Nos. 1, 2 and 3 Maximum Operating Mill Levy = No maximum – set by Board of Directors to meet annual costs 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, 2021, are neither diminished nor enhanced as a result of such changes.
Authorized Debt of the District(s) per Service Plan:	\$63,200,000 but limited to what may be financed by the Maximum Debt Mill Levy applicable to each District.
Voter Authorized Debt per Election for each District:	\$ 63,200,000 for Street Improvements \$ 63,200,000 for Parks and Recreation Improvements \$ 63,200,000 for Water Improvements \$ 63,200,000 for Sanitation Improvements \$ 63,200,000 for Transportation Improvements \$ 63,200,000 for Mosquito Control \$ 63,200,000 for Safety Protection Improvements \$ 63,200,000 for Television Relay and Transportation \$ 63,200,000 for Security Improvements \$ 63,200,000 for Operations and Maintenance Debt \$ 126,400,000 for Refundings \$ 63,200,000 for District Intergovernmental Agreements as Debt \$ 63,200,000 for Reimbursement Agreements \$ 63,200,000 for Construction Agreements



OFFICE OF THE CITY CLERK

TO WHOM IT MAY CONCERN:

I, Marisa Stoller, City Clerk of the City of Pueblo, Colorado, do hereby certify that I have examined document and the attached is a true and correct copy of Resolution No. 14694.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the City of Pueblo, Colorado, this 15th day of September 2021.





Marisa Stoller
City Clerk

RESOLUTION NO. 14694

A RESOLUTION APPROVING THE SERVICE PLAN FOR VILLA BELLA METROPOLITAN DISTRICT NOS. 1-3

WHEREAS, the Service Plan for Villa Bella Metropolitan District Nos. 1-3 was filed with the City Clerk (the "City Clerk") of the City of Pueblo, a Colorado Municipal Corporation (the "City"), pursuant to Sections 32-1-204.5, C.R.S.; and,

WHEREAS, the City Council of the City (the "Council") held a public hearing on said Service Plan on September 13, 2021; and,

WHEREAS, notice of said public hearing was duly published in the "Pueblo Chieftain," a newspaper of general circulation within the boundaries of the District, on August 27, 2021; and,

WHEREAS, the Council has considered the Service Plan in reference to the information and criteria required and set forth in Section 32-1-202(2) and Section 32-1-203(2), C.R.S., and in light of testimony and other evidence presented to it at said public hearing; and,

WHEREAS, the Council hereby finds that the Service Plan should be approved as provided herein, pursuant to Section 32-1204.5, C.R.S; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF PUEBLO, that:

SECTION 1.

The information contained within the Service Plan for the Villa Bella Metropolitan District Nos. 1-3 satisfies the requirements of Section 32-1-202(2), C.R.S.

SECTION 2.

Evidence satisfactory to the Council of each of the following was presented, as provided in Section 32-1-203(2), C.R.S.:

- a. There is sufficient existing and projected need for organized service in the area to be served by the proposed Districts; and
- b. The existing services in the areas to be served by the proposed Districts are inadequate for present and projected needs; and
- c. The Districts are capable of providing economical and sufficient services to the areas within its proposed boundaries; and
- d. The areas to be included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

SECTION 3.

The requirements of Section 32-1-204.5, C.R.S., and of the applicable provisions of the Pueblo Municipal Code, if any, relating to the contents and standards for approval of the Service Plan, have been fulfilled.

SECTION 4.

The Council hereby approves and authorizes the attachment of this Resolution to the Petition for organization of the Districts in accordance with Section 32-1-205, C.R.S. and Section 32-1-301, C.R.S.

SECTION 5.

The officers and staff of the City are authorized to perform any and all acts consistent with the intent of the Resolution to implement the policies and procedures described herein.

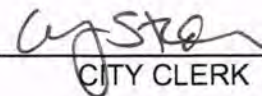
SECTION 6.

This Resolution shall become effective immediately upon final passage and approval.

INTRODUCED September 13, 2021

BY: Robert Schilling
MEMBER OF CITY COUNCIL

APPROVED: Jamaine W. Alencio
PRESIDENT OF CITY COUNCIL

ATTESTED BY: 
CITY CLERK

