

## **GVR METROPOLITAN DISTRICT**

### **RESOLUTION NO. 03-2-2007**

#### **A RESOLUTION CONDITIONALLY APPROVING THE 2007 ANNUAL PLAN, WORK PROGRAM AND BUDGET SUBMITTED BY HC DEVELOPMENT AND MANAGEMENT SERVICES, INC., ON BEHALF OF OAKWOOD HOMES, LLC.**

WHEREAS, Oakwood Homes, LLC (“Oakwood”) and the GVR Metropolitan District (“District”) are parties to that certain Infrastructure Construction And SDF Credit Agreement dated July 8, 1997 (“1997 Agreement”), whereby Oakwood’s construction of certain Public Improvements is approved, and reimbursement of actual costs or assignment of development fee credits are authorized, by the District on an annual basis; and

WHEREAS, the 1997 Agreement requires Oakwood to submit by October 15th of each calendar year, an annual plan, work program and budget for the Public Improvements Oakwood intends to construct and connect to existing facilities within the next District budget year; and

WHEREAS, Oakwood is obligated to complete construction of capital improvements within the District, both as successor in interest to The Builders Group, Ltd., maker of that certain Annexation Agreement with the City and County of Denver (“Denver”) dated August 31, 1973, and by virtue of its Interim Agreement with Denver dated August 11, 1999 and its Development Agreement Green Valley North with Denver (“Development Agreement”) dated February 20, 2003; and

WHEREAS, Oakwood presented its Annual Plan, Work Program and Budget, consisting of a summary of Major Work Items and Issues for 2007 and the 2006 Annual Plan, Work Program and Budget, to the District Board of Directors at its October 11, 2006 regular meeting; and

WHEREAS, the District timely notified Oakwood by letter of the District’s inability to approve by Resolution reimbursements as described in Oakwood’s Major Work Items and Issues for 2007 due to the time necessary for finalizing the District’s 2007 Budget and the supporting financial analyses upon which that budget is based; and

WHEREAS, Mr. Charlie Foster, representing Oakwood, has attended District Board meetings since October 2006 to discuss with the District Board details concerning projects planned by Oakwood and reimbursement requests submitted; and

WHEREAS, the District has approved its final budget for 2007, continues to meet with representatives of Oakwood concerning the costs incurred by Oakwood on projects previously approved by the District as reimbursable, and has completed its internal accounting tabulations to identify committed, uncommitted and projected cash resources; and

WHEREAS, the District Board makes note of the fact that delay in the construction and completion of capital projects within the District negatively impacts the District’s ability to reimburse for the cost of such projects due to inflationary and other increases in the costs and the

District's diminishing system development fee receipts as the District reaches a residential built-out condition.

NOW, THEREFORE, be it resolved, by the Board of Directors of the GVR Metropolitan District, Colorado:

1. That the Annual Plan, Work Program and Budget for 2007 prepared by HC Development and Management Services, Inc. dated October 11, 2006, a copy of which is attached hereto as "Exhibit A", has been considered by the Board and reimbursement for projects described is authorized only to the extent as set forth below, and subject to all of the terms, conditions and provisions of the 1997 Agreement, which shall remain in full force and effect.

a. The District continues its concern regarding the priority of construction of arterial roads within its boundaries. It is the District's strong belief that completion of Tower Road to the full four-lane width should be completed prior to improvements to 38<sup>th</sup> Avenue, Himalaya Street and/or Picadilly Road. The District's performance under the 1997 Agreement shall be consistent with Oakwood's compliance with this established priority.

b. As to the street improvement project identified as "42<sup>nd</sup> Avenue to Picadilly and 42<sup>nd</sup> Avenue Bridge," the District hereby expressly approves reimbursement for the actual costs of the bridge portion of this project, which has been estimated to cost \$260,000.

c. As to all other projects identified in the summary of Major Work Items and Issues for 2007, the District expressly does not approve of such projects herein, but will consider approval of such projects when presented for completion specific subsequent years.

Adopted this 2<sup>nd</sup> day of March, 2007.

GVR METROPOLITAN DISTRICT

By: /s/  
Trenton J. Stone, President  
Board of Directors

Attest:

/s/  
Marlene A. Martin, Secretary/Treasurer

SEAL