

GVR METROPOLITAN DISTRICT

RESOLUTION NO. 08-15-2007

**ELECTION RESOLUTION FOR
GVR METROPOLITAN DISTRICT**

WHEREAS, the Board of Directors of the GVR Metropolitan District (“District”) has determined and hereby determines and declares that the interest of the District and the public interest and necessity require that the District increase its property tax levy and collect, retain and spend all revenues generated from such increase, with regard to the provisions and restrictions set forth in Article X, Section 20 of the Colorado Constitution (“TABOR”) and Section 29-1-301, C.R.S. to carry out the objects and purposes of the District; and

WHEREAS, the District and the Master Association for Green Valley Ranch (“Master HOA”) have agreed to pursue the transfer of the Master HOA functions and responsibilities to the District and reduce or eliminate the fees assessed by the Master HOA if the eligible electors of the District approve the mill levy increase proposed herein; and

WHEREAS, the proposed mill levy increase is necessary to fund the District’s performance of the functions and responsibilities of the Master HOA, including the perpetual maintenance of approximately 46 acres of common areas, medians and detention ponds that have been, or are expected to be, transferred to the Master HOA by Oakwood Homes; and

WHEREAS, it is necessary to submit to the eligible electors of the District the question of increasing its tax levy and receiving and spending all revenues received by the District from such increase, and the Board hereby determines that such question should be presented to District's eligible electors at the election to be held on November 6, 2007 (“Election”), in accordance with the provisions of the Special District Act (“Act”), the Uniform Election Code of 1992 (“Code”), and Article X, Section 20 of the Colorado Constitution (“TABOR”); and

WHEREAS, the proposed mill levy increase question shall take into consideration fluctuations in the calculation and apportionment of statewide commercial and residential property tax revenue (the Gallagher Amendment), changes in assessed valuation within the District, and shall eliminate the restrictions on revenue and spending otherwise imposed by the TABOR Amendment and Colorado Statutes to allow collection of adequate revenues to keep pace with inflationary increases in the costs of operating expenses funded by such tax revenues; and

WHEREAS, the election shall be conducted as an independent mail ballot election; and

WHEREAS, the District is required to enter into an Intergovernmental Agreement with the Denver County Clerk and Recorder regarding the mailing of the notice required pursuant to TABOR ("TABOR Notice") on or before August 28, 2007.

NOW, THEREFORE, be it resolved by the Board of Directors of the GVR Metropolitan District in the City and County of Denver, State of Colorado that:

1. A special election of the eligible electors of the District shall be held on Tuesday, November 6, 2007, at which election there shall be submitted to the eligible electors of the District the question as stated in the form of ballot title hereafter set forth.

2. The Board hereby designates Micki L. Wadhams as the Designated Election Official for the conduct of the election on behalf of the District, and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code, TABOR or other applicable laws. The Election shall be conducted in accordance with the Act, Code, TABOR, and other applicable laws. Among other matters, the Designated Election Official shall prepare and file the mail ballot plan, arrange for the required notices of election, including the TABOR Notice, (either by mail or publication), appoint election judges, and direct that all other appropriate actions be accomplished.

3. The Board hereby approves and authorizes the Designated Election Official to execute and enter into the Intergovernmental Agreement with the City and County of Denver, Colorado, on behalf of the District, regarding the mailing of the TABOR Notice. The mailing of the District's TABOR Notice shall be in accordance with the provisions of such Intergovernmental Agreement.

4. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The County Clerk is the Coordinated Election Official and shall be responsible for mailing the TABOR Notice.

5. The ballot title for the tax levy increase and revenue and spending authorization shall be in substantially the form shown on Exhibit A attached hereto and incorporated herein by this reference.

6. Pursuant to Section 1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five (5) days after the title of the ballot issue or ballot question is set.

7. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

8. Any and all actions previously taken by the Designated Election Official or the Secretary of the Board of Directors or any other persons acting on their behalf pursuant to the Act, the Code or other applicable laws, are hereby ratified and confirmed.

9. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. The provisions of this Resolution shall take effect immediately.

ADOPTED AND APPROVED this 15th day of August, 2007.

GVR METROPOLITAN DISTRICT

By /s/ _____
Trenton J. Stone, President

ATTEST:

By /s/ _____
Marlene Martin, Secretary

EXHIBIT A TO ELECTION RESOLUTION

GVR METROPOLITAN DISTRICT BALLOT ISSUE 5A:

SHALL GVR METROPOLITAN DISTRICT TAXES BE INCREASED \$1,120,736 IN THE 2008 FISCAL YEAR, OR BY SUCH AMOUNT AS MAY BE RAISED BY THE IMPOSITION OF AN ADDITIONAL AD VALOREM PROPERTY TAX RATE OF UP TO 11.750 MILLS FOR GENERAL OPERATING PURPOSES, RESULTING IN A TOTAL DISTRICT OPERATING MILL LEVY RATE OF 20.094 MILLS IN FISCAL YEAR 2008 AND IN ANY FISCAL YEAR THEREAFTER, PROVIDED THAT THE DISTRICT'S TOTAL MILL LEVY RATE OF 20.094 MILLS MAY BE ADJUSTED BY THE BOARD OF DIRECTORS TO TAKE INTO ACCOUNT LEGISLATIVE OR CONSTITUTIONALLY IMPOSED ADJUSTMENTS IN ASSESSED VALUES OR THE METHOD OF THEIR CALCULATION OCCURRING AFTER JANUARY 1, 2007 SO THAT, TO THE EXTENT POSSIBLE, THE ACTUAL REVENUES GENERATED BY SUCH MILL LEVY ARE NEITHER DIMINISHED NOR ENHANCED AS A RESULT OF SUCH CHANGES; AND FURTHER PROVIDED THAT, SUBJECT TO THE FOREGOING MILL LEVY RATE PROVISIONS, SUCH MILL LEVY RATE MAY BE ADJUSTED IN ANY FISCAL YEAR DOWNWARDS OR UPWARDS BY THE BOARD OF DIRECTORS IN ITS DISCRETION; SUCH INCREASES INTENDED TO BE USED IN PART TO OFFSET THE EXPENSE OF MAINTAINING THE MASTER ASSOCIATION OF GREEN VALLEY RANCH, ITS COMMUNITY PROPERTIES AND FUNCTIONS, ALL OF WHICH, UPON PASSAGE OF THIS BALLOT ISSUE, SHALL BE TRANSFERRED TO THE GVR METROPOLITAN DISTRICT; AND SHALL THE PROCEEDS OF SUCH INCREASED PORTION OF THE OPERATING MILL LEVY RATE, AND INVESTMENT INCOME THEREON, BE COLLECTED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE IN 2008 AND IN EACH FISCAL YEAR THEREAFTER AS AN EXCEPTION TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, C.R.S., OR ANY OTHER LAW?

YES

NO