

CITY OF GRAND JUNCTION, COLORADO
RESOLUTION NO. 49-18
A RESOLUTION APPROVING THE SERVICE PLAN FOR
THE MOSAIC METROPOLITAN DISTRICTS NOS. 1-6

A. Pursuant to §32-1-204.5, C.R.S., as amended, a Consolidated Service Plan ("**Service Plan**") for the proposed Mosaic Metropolitan Districts Nos. 1-6 ("**Districts**") has been submitted to the City Council ("**Council**") of the City of Grand Junction, Colorado ("**City**"). A copy of the **Service Plan** is attached hereto as Exhibit "A".

B. Pursuant to the provisions of Title 32, Article 1, Colorado Revised Statutes (C.R.S.), as amended, and the Grand Junction Municipal Code ("GJMC") on June 8, 2018 the Council scheduled a public hearing on the **Service Plan** for July 18, 2018.

C. Notice of the hearing before the Council on July 18, 2018 was duly published in the *Daily Sentinel*, a newspaper of general circulation within the City, on June 20, 2018 (minimum 20 days prior to hearing), as required by law, and forwarded to the petitioners, others entitled to postcard or letter notice, the Department of Local Affairs, and the governing body of each municipality and Title 32 Special District that has levied *ad valorem* tax within the next preceding tax year and that has boundaries within a radius of three miles of the District.

D. The Council has considered the **Service Plan** and all other testimony and evidence presented at the hearing.

E. The Council finds that the **Service Plan** shall be approved with the following condition which shall be met prior to the Metropolitan District's Nos. 1-6 Service Plan becoming effective, as permitted by Sections 32-1-203(2) and 32-1-204.5(1)(a), C.R.S., as amended:

1. a Development Plan for the 68.2-acre property be reviewed and approved by the City. The Development Plan shall constitute approved zoning to Planned Development (PD) with an approved Outline Development Plan consistent with the Grand Junction Municipal Code.

F. For purposes of this Resolution, the effective date is the date which the election results are accepted/certified by the Colorado Department of Local Affairs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

1. The Council hereby determines that all of the requirements of Title 32, Article 1, Part 2, C.R.S., as amended, relating to the filing of the **Service Plan** for the District have been fulfilled and that notice of the hearing was given in the time and manner required by law.

2. The Council further determines that all pertinent facts, matters and issues were submitted at the public hearing; that all interested parties were heard or had the opportunity to be heard and that evidence satisfactory to the Council of each of the following was presented:

- (a) There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;

(b) The existing service in the area to be served by the proposed District is inadequate for present and projected needs;

(c) The proposed District is capable of providing economical and sufficient service to the area within the proposed boundaries; and

(d) The area to be included in the proposed District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

3. This Resolution shall be filed in the records of the City and a copy thereof submitted to the petitioners for the District for filing in the District Court of Mesa County, Colorado.

4. All prior resolutions or any parts thereof, to the extent that they are inconsistent with this Resolution, are hereby rescinded.

PASSED, ADOPTED AND APPROVED this 18th day of July 2018.



Barbara Traylor Smith, Mayor

ATTEST:



Wanda Winkelmann, City Clerk



**CONSOLIDATED SERVICE PLAN FOR
MOASIC METROPOLITAN DISTRICTS NOS. 1-6**

Prepared by:

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200 Grand Avenue, Fourth Floor
Grand Junction, Colorado 81501

Dated June 7, 2018

ARTICLE I. INTRODUCTION

A. General Overview

This Consolidated Service Plan ("Service Plan") for the Mosaic Metropolitan Districts Nos. 1-6 (individually referred to as "District" or collectively referred to as "Districts") constitutes a combined service plan for six (6) proposed Title 32 metropolitan districts within the boundaries of the City of Grand Junction ("City"). The proposed Districts will be organized to serve the needs of a new community to be known as the Mosaic Planned Development and referred to as the "Project." The Project will be coordinated by the developer, Club Deal 113/114 Park Plaza and Grand Junction Limited Partnership, a Delaware limited partnership. The Districts are intended to be independent units of local government, separate and distinct from the City. Except as may otherwise be provided for by State or local law or this Service Plan, the activities of the Districts are subject to review by the City only insofar as they may deviate in a material manner from the provisions of this Service Plan.

The property to be included within the proposed Districts consists of 68.2 acres of land with a boundary of 23 Road to the east, 22³/₄ Road to the west, H Road to the north and I-70 to the south ("Service Plan Boundaries"). A map illustrating the Districts and the Service Plan Boundaries is attached as **Exhibit A**. The properties within each of the proposed Districts shall be subject to the ordinances, rules and regulations of the City and this Service Plan shall not be interpreted as representing approval by the City of any alteration or amendment to the City's ordinances, rules and regulations. Properties within the Service Plan Boundaries are subject to the City's current and future ad valorem property taxes, sales taxes, rates, fees, tolls and charges.

Attached as **Exhibit B** is a map of the Proposed Mosaic Planned Development ("Proposed Development Map") which shows the intent to construct the Project in eight (8) phases. The final composition and phasing are subject to separate City approval under its land use and zoning process. Mosaic Metropolitan District No. 1 will consist of approximately 15.92 acres and will have approximately the same boundaries as Phase I shown on the Proposed Development Map. Mosaic Metropolitan District Nos. 2, 3, 4, 5 and 6 will initially consist of the remaining lands shown on the Proposed Development Map. Attached as **Exhibit C** is a map illustrating the District Overlay for District Nos. 1, 2, 3, 4, 5 and 6 over the Proposed Development Map (the "District Overlay Map"). Attached as **Exhibit D** are individual legal descriptions for the boundaries of District Nos. 1, 2, 3, 4, 5 and 6.

The total combined area within the Service Plan Boundaries of 68.2 acres is expected to be developed in Phases as shown on the Proposed Development Map. The Project includes residential and commercial development, parks and open spaces. Certain assumptions are made in this Service Plan regarding the number and type of residential units as well as the size and location of commercial development. The actual composition and distribution of development shall be reflected in subsequent site development approvals issued by the City and nothing in this Service Plan shall be construed as the City granting prior approval for site development. Modifications to this Service Plan shall not be required to accommodate changes to the Project under the City's site development approvals. The Proposed Development Map is attached for concept purposes only

and is appended for completeness of these references. The inclusion of the Proposed Development Maps in this Service Plan does not constitute City land use and development approval.

The primary purpose of the proposed Districts is to construct public improvements including public sanitary sewer and wastewater systems, domestic water supply systems, storm drainage facilities, streets and roadways, traffic and safety facilities, landscaping, parks and recreation facilities and such other public improvements approved by the City for the development of the Project (collectively referred to as the Public Improvements). The expected quantities and costs of constructing the Public Improvements are set forth in the Financial Plan for the Districts. Certain Public Improvements will be dedicated to the City for the use and benefit of the general public. At the discretion of the boards of Directors of the Districts, some Public Improvements may remain with the Districts, and some Public Improvements may be deeded to one or more property owners' association(s) within the Project. Assets deeded to owners' association(s) may be operated exclusively for future owners, inhabitants and taxpayers of the Districts. All Public Improvements shall be designed and constructed in accordance with development plans approved by the City. Preliminary engineering surveys for the Public Improvements are included in **Exhibits C and G**.

The proposed Districts are organized to serve as a method by which development can occur within 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 Financial Plan has been designed to assure that at no time will the City have any legal responsibility for any of the Districts' obligations and to assure that the risk of development remains with the developer until a sufficient tax base has been achieved to pay the Districts' debt through mill levy assessments. Mill levy assessments will be imposed only on properties within the boundaries of the Districts.

This Service Plan has been prepared with sufficient flexibility to enable the Districts to design and construct Public Improvements under evolving circumstances and to meet the needs of the Project and the community. The Service Plan assumptions generally reflect development in accordance with Exhibit B, but the cost estimates in the Financial Plan are sufficiently flexible to enable the Districts to provide necessary Public Improvements without the need for repeated amendment(s) of the Service Plan. Modification of the proposed configuration of Public Improvements, scheduling of construction of such improvements, as well as the locations and dimensions of various Public Improvements shall be permitted to accommodate development needs consistent with zoning and future development approvals for the Project and without the necessity of modifying the Service Plan.

Public Improvements will be constructed to provide public and semi-private services necessary for the Project. This Service Plan addresses the financing of all Public Improvements constructed through the Districts and establishes how the Districts will work cooperatively with each other and with the City to design and construct the necessary Public Improvements. All Exhibits referenced in this narrative are attached to and incorporated by reference into this Service Plan.

B. Multiple District Structure. This Service Plan is submitted and the Districts are being formed pursuant to the requirements of the Special District Act §32-1-101, et seq., C.R.S.

(the "Act"). Use of a Consolidated Service Plan for the Districts assures 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, general provisions of this Service Plan apply to all six Mosaic Metropolitan Districts. Where necessary, references will be made to individual Districts to distinguish the powers and authorities of each District.

The Districts collectively will undertake the financing and construction of Public Improvements, some of which will be conveyed to the City of Grand Junction and other improvements will either remain with the Districts or will be transferred to property owners association(s) for maintenance and operation. Each District will operate separately but will be part of a coordinated plan for the Project. It is the goal of the Districts to spread the costs of development of the entire Project equitably among all Districts, which will be reflected as a reasonably uniform mill levy and fee structure through coordinated planning and financing for infrastructure construction.

The Financial Plan discussed in Section III is a preliminary plan for all Districts and is intended to be read as a unified Financial Plan for construction of all Public Improvements for the Project. The initial boundaries of each District are intended to change through future inclusions and exclusions as provided in this Service Plan. The Project is proposed to be developed in 8 Phases as reflected on the Proposed Development Map; however, changes to the Proposed Development Map, including changes in the number and configuration of Phases, as approved by the City and as the Project progresses shall not require a modification to this Service Plan. As development progresses within each District, bonds will be issued to pay for Public Improvement costs as the Districts build out with sufficient assessed values to support payment of debt.

C. Benefits of Multiple District Structure. The multiple district structure offers significant benefits to the City, the Project and future property owners. Those benefits include: (a) coordinated administration of construction and operation of Public Improvements in a fashion that supports the orderly development of the Project; (b) avoiding the premature issuance of debt; (c) creating a means for the fair and equitable allocation of costs of development of Public Improvements across the Project; and (d) assure compliance with state laws regarding taxation in a manner which permits obtaining benefits of issuing tax exempt financing at low interest rates. These benefits are addressed further below.

1. Coordinated Services. Development of the Project will proceed in several Phases, each of which requires the extension of Public Improvements. The multiple district structure assures that the construction and operation of each Phase of the Public Improvements is administered in accordance with a long-term construction and operations program. This is consistent with "best practices" in the development industry involving projects with long-term development horizons. This Service Plan contemplates coordination among the Districts to facilitate construction of each Phase and for management of operations.

2. Avoids Premature Debt Issuance. The multiple district structure helps assure that Public Improvements needed for future build-out of the Project will be provided when needed. Projects that do not utilize multiple districts may be motivated to issue debt prematurely because the prospect of loss of control over decision making exists.

3. Equitable Debt Allocation. Allocation of the responsibility for paying debt for Public Improvements will continue to be managed through development of a unified Financial Plan and through development of an integrated operating plan for long-term operations and maintenance. The Districts will coordinate to manage these functions to assure that no area within the Project becomes obligated for more than its share of the costs of the design and construction of Public Improvements and their 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 among the Districts will assure that mill levy rates remain generally consistent throughout the Project.

4. Initial Boundaries/Expansions. In order to implement the multiple district structure, the boundaries of the Districts are intended to change as development occurs. At the time of submittal of this Service Plan the developer owns all of the property to be included within the Service Plan Boundaries and the proposed Districts. District #1 initially coincides with Phase 1 of the Project. Depending on absorption time in Phase 1, additional properties may be included by petition within District #1, after completing an exclusion process from an adjacent district. The same holds true for the inclusion or exclusion of properties from all Districts, and allows some flexibility based on absorption.

Due to the long-term nature of the Project, the need to respond to development patterns and the pace of growth and to accommodate future financing dynamics, adjustments to the Districts' boundaries may occur from time to time. Therefore, the Districts shall be permitted to make boundary adjustments among the Districts as their governing Boards of Directors deem necessary. Any inclusion or exclusion of property made in compliance with this Service Plan shall not constitute a material modification of the Service Plan. No properties outside of the Service Plan Boundaries will be included within any District unless specifically approved by the City. All changes in District boundaries must be made in compliance with the Act.

5. Future Consolidation or Dissolution of Districts. As development occurs the boards of directors for certain Districts may determine that certain Districts should be consolidated or even dissolved depending on the needs of the Project. Notice of intent to consolidate or dissolve shall be tendered to the City for review to determine if the purposes for which the Districts were created have been accomplished. The Districts shall file petitions in the Mesa County District Court for consolidation or dissolution in accordance with the Act. In no event shall dissolution occur until the Districts have provided for the payment or discharge of all outstanding indebtedness or other financial obligations as required by state statutes.

Following completion of construction of the Public Improvements, the Districts may retain certain assets or may transfer and dedicate assets to property owners' associations, to the City or other governmental entities. As a part of any such transfers, the Districts will assure the repayment or discharge of all of the Districts' outstanding indebtedness and other financial obligations as required by statute. The transfer of assets will include agreements for the assignment or assumption of operating and maintenance responsibilities. The process for the consolidation or dissolution of Districts will be as provided in the Act.

D. Existing Services. No existing public entities in the vicinity of the Project have the intent, ability or desire to undertake the design, financing and construction of the Public Improvements needed for the Project. Consequently, use of new Districts is deemed necessary for the construction of such improvements.

The 68.2 acres within the Service Plan Boundaries overlap or adjoin the following public entities: Colorado River Water Conservancy District, Mesa County, the City, Grand Junction Rural Fire Protection District, Grand River Mosquito Control District, Grand Valley Drainage District, Library District, School District #51 and Ute Water Conservancy District (the Overlapping Districts). The Mosaic Districts will utilize the services of some or all of these Overlapping Districts but will not compete with their operations. It will not be necessary to enter into Intergovernmental Agreements with any of Overlapping Districts except for the City of Grand Junction. A draft IGA with the City is attached as **Exhibit E**.

None of the Overlapping Districts are authorized or are being asked to provide financing for the construction of Public Improvements within the Mosaic Districts. Further, the Districts do not plan to provide any services that the Overlapping Districts otherwise provide within the boundaries of the Mosaic Districts. Therefore, compliance with the provisions of § 32-1-107(3)(b)(III), C.R.S., relating to the Overlapping Districts will be satisfied. In accordance with § 32-1-107(3)(b)(IV), C.R.S the Moasic Districts shall not duplicate the services provided by the Overlapping Districts, except as may be consented to and approved by the governing boards of the Overlapping Districts.

E. 2017 Certified Assessed Valuation.

The 2017 certified assessed valuation of all taxable property within the Service Plan Boundary is \$2,051,987.

F. Contents of Service Plan.

This Service Plan contains a preliminary financial analysis and preliminary capital plan showing how Public Improvements for the Project are expected to be provided and how they will to be operated, managed and financed by the Districts. Numerous items are included in this Service Plan in order to satisfy the requirements of 32-1-203(2), C.R.S., for the formation of special districts, which factors are summarized in Article V. This Service Plan satisfies each of the statutory requirements. The assumptions contained in this Service Plan were derived from a variety of sources. Information regarding the present status of property within the Service Plan Boundary, as well as the current status and projected future level of similar services was obtained from the Developer. Capital projections for Public Improvements and the Financial Plan are provided by Development Planning & Financial Group, Inc. Legal advice in the preparation of this Service Plan and formation of the Districts is provided by the law firm of Hoskin Farina & Kampf, P.C.

G. Modification of Service Plan.

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required Public Improvements for the Project under evolving circumstances without the

need for numerous amendments. Modification of the types of Public Improvements, as well as changes in proposed configurations, locations, dimensions of facilities and improvements shall be permitted to accommodate development needs consistent with City zoning and planning for the Project.

ARTICLE II NEED FOR NEW 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 Financial Plan projects a total of 395 residential units, 185 multi-family units and commercial units representing approximately 55 equivalent dwelling units, as well as various parks, open spaces, clubhouse and amenities. The population at build-out is estimated to be approximately 1,328 persons based on the average number of persons (2.29) per household in Grand Junction. The demand for Public Improvements to be provided by the Districts is demonstrable.

2. The Existing Service is Inadequate for Present and Projected Needs. The Service Plan Boundaries are currently vacant and undeveloped land. Although utilities and public roads are adjacent to or close to the Project, no on-site improvements exist. Furthermore, certain off-site public improvements will be required as a part of the Project. The Public Improvements to be provided by the Districts will not be provided by Mesa County, the City or other municipal or quasi-municipal corporations, or existing special districts. Neither the City nor any existing special district plans to provide the Public Improvements required for the development of the Project. Therefore, provision of Public Improvements will not be made available through other institutions.

3. Districts will Provide Needed Infrastructure. The Districts are necessary to provide the most economical and efficient means of ownership and operation of essential improvements to serve future development within the Districts. The Financial Plan demonstrates the feasibility of providing the proposed Public Improvements 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 as the Districts will have access to tax-exempt financing that is not available to private entities.

4. New Districts are in the Best Interests of the Project and Future Residents and Property Owners. 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 otherwise will not be provided by other governmental entities, and they offer the advantage of obtaining tax-exempt financing to fund the 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 Improvements in a manner that will conform to the approved development plans associated with the Project, 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 infrastructure construction.

B. General Powers of Districts.

1. Powers.

Each District will have the power and authority to provide Public Improvements described in this Service Plan both inside and outside of their boundaries in accordance with Colorado law. The powers and authorities of each District will be allocated and further refined in a "Master" Intergovernmental Agreement ("IGA") among the Districts. For purposes of the Special District Control Act (§ 32-1-201, *et seq.*, C.R.S.), entering into the IGA shall not require an amendment of this Service Plan. The IGA will constitute a binding agreement among the Districts regarding implementation of the powers contained in this Service Plan. The IGA will permit only those powers and authorities authorized by the Act and this Service Plan, including but not limited to:

i. Operations and Maintenance Limitation. The Districts shall plan for, design, acquire, construct, install, relocate, redevelop, and finance the Public Improvements. It is not the District's intention to own any improvements that are of the type that would normally be dedicated to the City. The Districts shall dedicate the improvements to the appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code.

ii. Conveyance of Improvements. Improvements not conveyed to the City, or other governmental entities as appropriate, will be retained by the Districts or conveyed to owners association(s). With regard to improvements dedicated to the owners association, the Districts shall undertake the operations and maintenance responsibilities for such improvements until they are accepted by the owners association. During the period the Districts operate such facilities, revenue to pay the expenses of operations may be obtained from mill levy assessments, or from rates, fees, tolls and charges legally imposed by the Districts. User fees for recreational facilities may be different for residents of the Districts than for outside/non-resident users. Approval of this Service Plan by the City constitutes the City's agreement that the Districts may perform these functions.

iii. Acquisition of Land for Public Improvements and Easements. The Districts shall acquire by easement or plat dedication all real property interests required for construction and maintenance of Public Improvements to be conveyed to the City by the Districts. Exceptions must be approved by the City in writing. Failure to comply with this provision shall be deemed a material modification of this Service Plan.

iv Construction Standards Limitation. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City or other governmental entities having proper jurisdiction, including but not limited to Ute Water Conservancy District. The Districts will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

v. Privately Placed Debt Limit. Prior to the issuance of any privately placed debt, the Districts shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the Consolidated Service Plan for Mosaic Metropolitan Districts Nos 1-6.

We [I] certify that (1) the net effective interest rate (calculated as defined in § 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.

vi. Inclusion Limitation. The Districts shall not include within their boundaries any property outside the Service Plan Boundaries without the prior written consent of the City.

vii. Total Debt Issuance Limitation. The Districts shall not issue Debt in excess of \$12,000,000.

viii Financial Payments from Other Governments/Sources. The Districts shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, Department of Local Affairs, or other funds or grants available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without limitation.

ix Consolidation Limitation. The Districts shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City; provided, however, consolidation among the Districts shall not require City approval as this Service Plan contemplates such consolidations may exist.

x. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, have been established under the authority of the City to approve a Service Plan with conditions, pursuant to § 32-1-204.5, C.R.S. It is expressly intended that these limitations:

a. shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment;

b. are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable non-bankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 9434(b)(6); and

c. any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy, shall be deemed a material modification of this Service Plan pursuant to § 32-1-207, C.R.S., and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Service Plan Amendment.

xi. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required Public Improvements under evolving circumstances without the need for numerous amendments. Actions of a District which violate the limitations in this Service Plan and/or an intergovernmental agreement with the City shall be deemed to be material modifications to this Service Plan and the City shall be entitled to all remedies available at law or in equity under State and local law against the District in violation.

xii. Special Improvement Districts. Pursuant to § 32-1-1101(1)(f)(I), C.R.S., and Section 32-1-1101.7, C.R.S. (the “SID Statute”), the Districts are authorized to establish special improvement districts within their boundaries to assess property, and to undertake all activities set forth in the SID Statute, as it may be amended from time to time , including but not limited to financing of renewable energy and energy efficient improvement. The exercise of any such powers and authorities shall not be deemed a material modification of this Service Plan.

xiii. Additional Services. In addition to the other powers and limitations of the District set forth in this Service Plan the Districts shall have the authority to, but shall not be obligated to, provide any services and exercise such powers as are expressly or impliedly granted by Colorado law, including the power of covenant enforcement, design review and those powers enumerated in §§ 32-1-1101 and 32-1-1101.7.

2. Preliminary Engineering Survey

The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of each District, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or

financed was prepared based upon a preliminary engineering survey and estimates derived from zoning on the property within the Service Area Boundaries such costs will not exceed \$15,000,000. Preliminary engineering surveys are attached as **Exhibit G**.

All of the Public Improvements will be designed in such a way as to assure that the standards for the improvements will be compatible with those of the City or other governmental entities having proper jurisdiction, including but not limited to Ute Water Conservancy District, and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

3. Regional Improvements

The Districts are authorized to coordinate with the City for the planning, construction, design, acquisition, installation, relocation and/or redevelopment of improvements located outside of the Service Plan Boundaries determined by the City as being necessary to provide service(s) to the development, but also providing service to properties within the City that are not within the development ("Regional Improvements"). The Districts are also authorized to contribute a portion of the capital costs and/or operation and maintenance costs of Regional Improvements in amounts as will be agreed upon and set forth in an intergovernmental agreement to be entered into between the Districts and the City. Such intergovernmental agreement will be separate and distinct from the intergovernmental agreement which is attached as **Exhibit E**. The Districts shall fund their contributions to the Regional Improvements from Bond proceeds or other sources.

ARTICLE III FINANCIAL PLAN

1. General

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of Public Improvements from their revenues and by and through proceeds of Debt to be issued by the Districts. Each District shall issue such Debt as it can reasonably pay from revenues derived from the Maximum Debt Mill Levy approved by the eligible electors of each District and other legally available revenues. The total Debt that all Districts shall be permitted to issue shall not exceed \$12,000,000 and shall be permitted to be issued on a schedule and in such year or years as each District determines shall meet the needs of the Financial Plan and shall be phased to serve development as it occurs. All bonds and other Debt issued by a District may be payable from any and all legally available revenues of a District including general *ad valorem* taxes to be imposed upon all taxable property within a District. Each District may rely upon various other revenue sources authorized by law, including the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1), C.R.S. The costs for payment of Public Improvements shall be spread equitably among the Districts, which will be reflected as a reasonably uniform mill levy and fee structure between the Districts. An overview of the Districts' Financial Plan, as well as proposed indebtedness schedules of the Districts, is attached as **Exhibit F**.

2. Maximum Voted Interest Rate and Maximum Underwriting Discount

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

3. Maximum Debt Mill Levy

The “Maximum Debt Mill Levy” shall be the maximum mill levy each District is permitted to impose upon the taxable property within each District for payment of Debt, and shall be determined as follows:

i. Excess of 50% of Assessed Value. For any portion of the District’s aggregate Debt which exceeds fifty percent (50%) of the District’s assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in (ii) below, adjusted to account for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement. The mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) 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 nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

ii. Debt Equal to or Less Than 50% of Assessed Value. For any portion of a District’s aggregate Debt which is equal to or less than fifty percent (50%) of the District’s assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

iii. Pledge of Mill Levy. For purposes of the foregoing, once Debt has been determined to be within section (ii) above so that a District is entitled to pledge to its payment an unlimited *ad valorem* mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District’s Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of § 32-1-1101, C.R.S., and all other requirements of State law.

iv. Maximum Mill Levy for Payment of Debt. The foregoing notwithstanding, the maximum mill levy a District can impose for payment of Debt (including General Obligation and Special Assessment Debt) shall be 50 mills; provided, however, that if the method of calculating assessed valuation is changed after the date of approval of this Service Plan, the mill levy limitation may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither

diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

v. Payment of Interest to Developer. 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 be established but without compounding. An individual District shall not impose a levy for repayment of 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 mill levy. Notwithstanding any other provision hereof, such Debt referred to in the preceding sentence shall be deemed to be discharged at such time as the mill levy is suspended at the end of the 40 year period.

4. Debt Repayment Sources

Each District may impose a mill levy on taxable property within its boundaries as a source of revenue for repayment of debt and for operations and maintenance. Each District may also rely upon various other revenue sources authorized by law. At a District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1), C.R.S., as amended from time to time. In no event shall the debt service mill levy in the District exceed the Maximum Debt Mill Levy.

5. Debt Instrument Disclosure Requirement

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

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

6. Security for Debt

Districts shall not pledge any revenue or property of the City as security for the Debt set forth in this Service Plan. Approval of this Service Plan shall not be a guarantee by the City of payment of any District 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 a District in the payment of any such obligation.

7. TABOR Compliance

Each District will comply with the provisions of TABOR. In the discretion of the Board, a District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by a District will remain under the control of the District's Board.

8. District Operating Costs

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of each District's organization and initial operations, is part of the estimated cost of Public Improvements, which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, Districts will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget for the Districts is anticipated to be approximately \$12,000,000 and will be derived from property taxes, Developer advances and other revenues.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to each District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users.

In addition to mill levies assessed for payment of debt a District may impose a mill levy for payment of expenses of operations with such mill levy to be established by a District's eligible electors.

9. Enterprises

Each District may exercise any of its powers through enterprises established in accordance with Article X, Section 20 of the Colorado Constitution (TABOR).

10. Annual Report

Each District shall be responsible for submitting an annual report to the City no later than August 1 of each year. The annual report shall include information as to any of the following:

- i. Boundary changes made or proposed to a District's boundary as of December 31st of the prior year.
- ii. Agreements with other governmental entities entered into or proposed as of December 31st of the prior year.
- iii. A list of all facilities and improvements constructed or acquired by a District and those that have been dedicated to and accepted by the City as of December 31st of the prior year.
- iv. Audit of a District's financial statements, for the year ending December 31st of the previous year, prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable.

v. Notice of continuing disclosure undertaking for events of default by a District which continues beyond a ninety (90) day period under any Debt instrument.

vi. Any inability of a District to pay its obligations as they come due in accordance with the terms of any Debt instruments, which continue beyond a ninety (90) day period.

11. Statutory Powers

Each District shall have and exercise all powers granted by the Act and in particular the powers set forth in § 32-1-1004, C.R.S.

ARTICLE IV MISCELLANEOUS

1. 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 regarding the design, construction, erection, placement or installation of new structures or modification of existing structures within the Districts' boundaries. At the discretion of the Boards of Directors, such powers may be transferred to property owners' association(s) and operated in accordance with the Colorado Common Ownership Interest Act (38-33.3-101, C.R.S.).

2. 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 Act (§32-1-101, *et seq.*, C.R.S.), other applicable statutes, and this Service Plan as the same may be amended from time to time.

3. Other

In addition to the powers enumerated above, the Boards of Directors of each of the Districts shall continue to have the following authority:

a. 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 in accordance with § 32-1-207, C.R.S and after obtaining a resolution of approval from the City. A material modification of this Service Plan includes: (1) interior boundary line modifications which create inequitable assessments among the Districts relative to the benefits being provided; and (2) the conduct of operations which are prohibited by resolution or ordinances of the City. The Districts separately or collectively shall have the right to amend this Service Plan independent of participation of one or more of the other Districts with the approval of

the City; provided, that the Districts shall not be permitted to amend those portions of this Service Plan which affect, impair, or impinge upon the rights or powers of the other Districts without such other District's consent.

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.

c. To provide additional services and exercise powers granted expressly or by implication in Colorado law and which the Districts are required to provide or exercise or, in their discretion choose to provide or exercise, within the scope of the powers set forth in this Service Plan. The Districts shall not exercise the powers of either eminent domain or dominant eminent domain over property located outside of the Service Plan Boundaries unless prior consent from the City is first obtained.

d. To exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the Boards of Directors, except as limited in this Service Plan and pursuant to the Intergovernmental Agreement to be executed between the Districts and the City attached as **Exhibit E**. The Districts may only add additional powers beyond by obtaining the consent of the City through an amendment to this Service Plan.

4. Dissolution

Upon an independent determination of the City that the purposes for which a District was created have been accomplished, such District agrees to file a petition in the Mesa County District Court for dissolution pursuant to applicable State statutes. In no event shall dissolution occur until a District has provided for the payment or discharge of all its outstanding indebtedness and other financial obligations as required by State statutes.

5. Disclosure to Purchasers

Each District will use reasonable efforts to ensure all developers of the Project shall provide through written notice to all purchasers of property in a District regarding the Maximum Debt Mill Levy as well as a general description of a District's authority to impose and collect rates, fees, tolls and charges.

6. Intergovernmental Agreement

The form of the Intergovernmental Agreement between the Districts and the City is attached as **Exhibit E**. Each District once formed shall approve the Intergovernmental Agreement within ninety (90) days of the date of organization. Failure of a District to execute the Intergovernmental Agreement as required shall constitute a material modification and shall require a Service Plan Amendment. The City shall approve the intergovernmental agreement at the public hearing for approval of the Service Plan. The Intergovernmental Agreement may be amended by the City and Districts without amending this Service Plan. If a conflict exists between the

Intergovernmental Agreement and this Service Plan, the Intergovernmental Agreement shall govern.

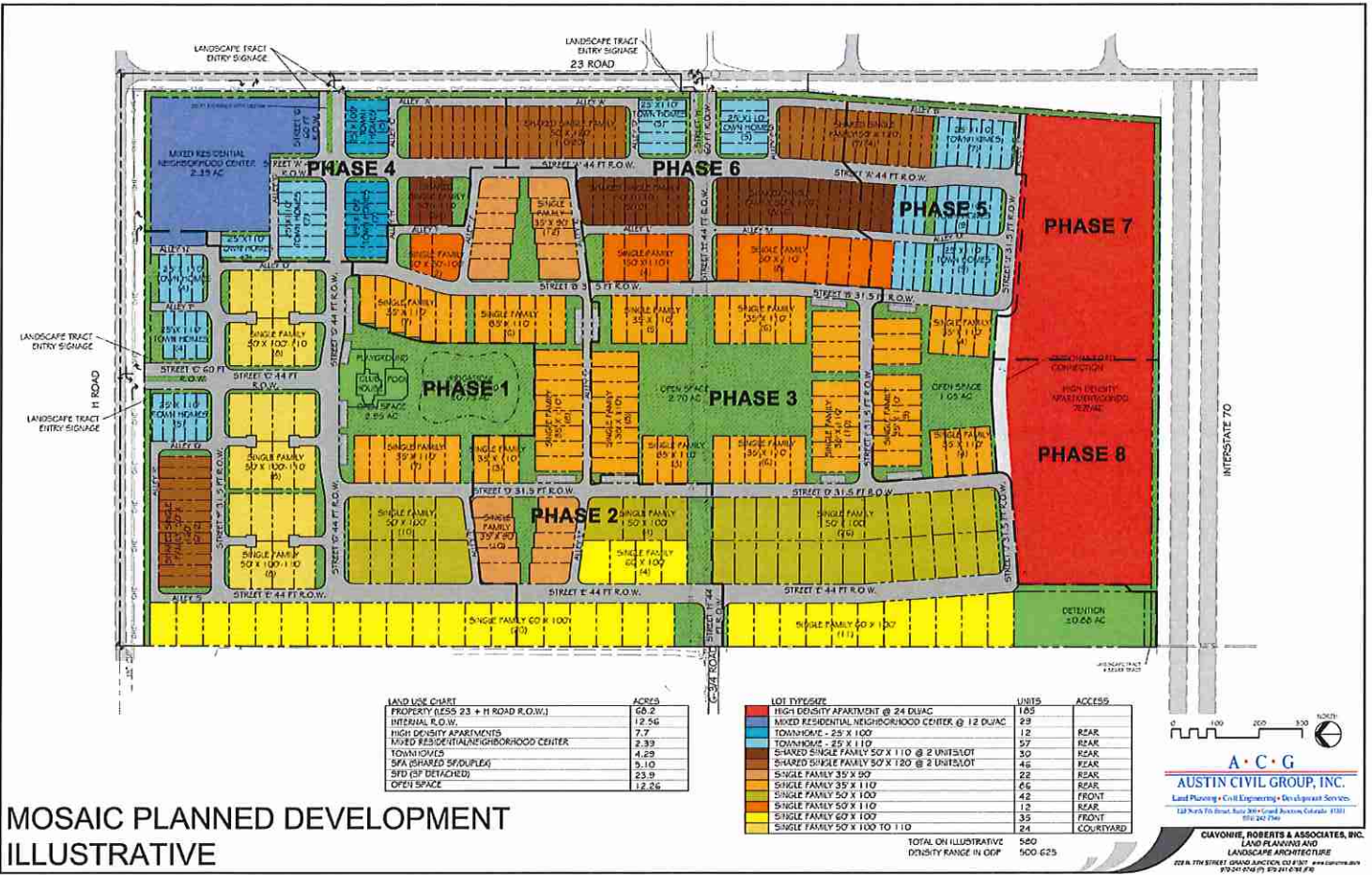
**ARTICLE V
CONCLUSION**

This Consolidated Service Plan meets all of the requirements of § 32-1-203(2), C.R.S. This Service Plan establishes that:

- (1) There is sufficient existing and projected need for organized service within the Service Plan Boundary and the Districts are the proper tool for providing this service;
- (2) The existing service within the Service Plan Boundary is inadequate for present and projected needs;
- (3) Each District is capable of providing economical and sufficient service to the area within its proposed boundaries;
- (4) The area to be included in each District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- (5) Adequate service is not, and will not be, available to the area through the City or Mesa County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
- (6) The facility and service standards of the Districts are compatible with the facility and service standards of the City;
- (7) The proposal is in substantial compliance with the City's Comprehensive Plan adopted pursuant to the City Code;
- (8) The proposal is in compliance with any City, regional or state long-range water quality management plan for the area; and
- (9) Creation of the Districts is in the best interests of the area proposed to be served.

Exhibit A

Exhibit B



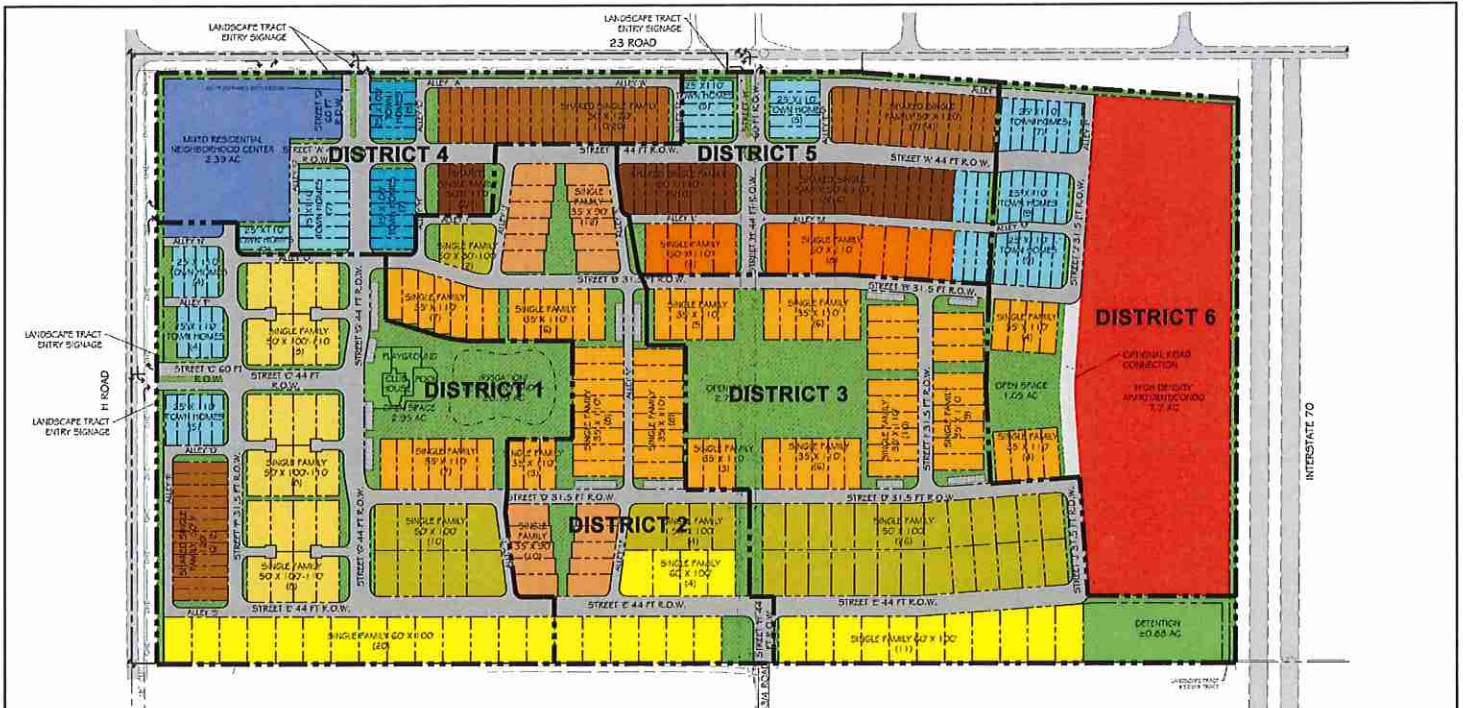
LAND USE CHART	ACRES
PROPERTY (LESS 23 + H ROAD R.O.W.)	65.2
INTERNAL R.O.W.	12.54
HIGH DENSITY APARTMENTS	7.7
MIXED RESIDENTIAL/NEIGHBORHOOD CENTER	2.39
TOWNHOMES	4.29
SFA (SHARED SF/DUPLEX)	5.10
SFD (SF DETACHED)	23.9
OPEN SPACE	12.26

LOT TYPE/SIZE	UNITS	ACCESS
HIGH DENSITY APARTMENT @ 24 DU/AC	185	
MIXED RESIDENTIAL/NEIGHBORHOOD CENTER @ 12 DU/AC	23	
TOWNHOME - 25 X 100	12	REAR
TOWNHOME - 25 X 110	57	REAR
SHARED SINGLE FAMILY 50 X 110 @ 2 UNITS/LOT	30	REAR
SHARED SINGLE FAMILY 50 X 120 @ 2 UNITS/LOT	46	REAR
SINGLE FAMILY 35 X 90	22	REAR
SINGLE FAMILY 35 X 110	46	REAR
SINGLE FAMILY 50 X 100	42	FRONT
SINGLE FAMILY 50 X 110	12	REAR
SINGLE FAMILY 60 X 100	35	FRONT
SINGLE FAMILY 50 X 100 TO 110	24	COURTYARD
TOTAL ON ILLUSTRATIVE DENSITY RANGE IN ODP	560	
	500-625	

**MOSAIC PLANNED DEVELOPMENT
ILLUSTRATIVE**

A.C.G.
AUSTIN CIVIL GROUP, INC.
 Land Planning • Civil Engineering • Development Services
 1130 North Loop West, Suite 200 • Grand Central Station, Dallas, TX 75242 (714)
 972.447.7144
CLAYTON, ROBERTS & ASSOCIATES, INC.
 LAND PLANNING AND
 LANDSCAPE ARCHITECTURE
 228 N. 17th Street, Grand Junction, CO 81507 • 970.243.2400
 970.243.2400 • 970.243.2400

Exhibit C



LAND USE CHART	ACRES
PROPERTY (E59 73 + H ROAD R.O.W.)	65.8
INTERNAL R.O.W.	12.56
HIGH DENSITY APARTMENTS	7.7
MIXED RESIDENTIAL/NEIGHBORHOOD CENTER	2.39
TOWNHOMES	4.29
SFA (SHARED SFOUPLES)	5.10
SFD (DETACHED)	23.0
OPEN SPACE	12.26

LOT TYPE/USE	UNITS	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	ACCESS
HIGH DENSITY APARTMENT @ 24 DUPLEX	125	0	0	0	0	0	125	
MIXED RESIDENTIAL/NEIGHBORHOOD CENTER @ 12 DUPLEX	29	0	0	0	29	0	0	REAR
TOWNHOME - 25' X 100'	12	0	0	0	12	0	0	REAR
TOWNHOME - 25' X 110'	57	13	0	0	8	16	19	REAR
SHARED SINGLE FAMILY 50' X 110' @ 2 UNITS/LOT	30	0	0	0	4	26	0	REAR
SHARED SINGLE FAMILY 50' X 120' @ 2 UNITS/LOT	46	12	0	0	20	14	0	REAR
SINGLE FAMILY 35' X 90'	22	0	22	0	0	0	0	REAR
SINGLE FAMILY 35' X 110'	66	7	32	59	0	0	2	REAR
SINGLE FAMILY 50' X 100'	42	10	6	22	0	0	0	FRONT
SINGLE FAMILY 50' X 110'	12	0	0	0	0	12	0	REAR
SINGLE FAMILY 60' X 100'	35	14	10	11	0	0	0	FRONT
SINGLE FAMILY 50' X 100 TO 110'	24	24	0	0	0	0	0	COURTYARD
TOTAL OR ILLUSTRATIVE DENSITY RANGE IN COOP	560 - 500-625	80	70	76	74	66	212	

MOSAIC PLANNED DEVELOPMENT
DISTRICT ILLUSTRATIVE

0 100 200 300 400 FT

A · C · G
AUSTIN CIVIL GROUP, INC.
 Land Planning • Civil Engineering • Development Services
 111 North 7th Street, Suite 200 • Central Expressway, Cedar Hill, TX 75007
 972.467.7000

CLAYTON, ROBERTS & ASSOCIATES, INC.
 LAND PLANNING AND
 LANDSCAPE ARCHITECTURE
 1201 W. 17th Street, Grand Prairie, TX 75049 • 972.261.6300

Exhibit D

EXHIBIT A
District 1 Boundary

That property located in The Replat of Twenty Three Park Plaza, as shown on plat recorded at Reception Number 1358204, Mesa County records in the East Half of the Northeast Quarter (E½ NE¼), Section 31, Township 1 North, Range 1 West, of the Ute Meridian in Mesa County, Colorado being more particularly described as follows:

COMMENCING at the Northeast corner of the NE¼ of said Section 31, whence the Northwest corner of the NE¼ NE¼ said Section 31 bears thence South 89°59'05" West, a distance of 1317.73 feet for a basis of bearings, with all bearings contained herein relative thereto; thence South 89°59'05" West, a distance of 1317.73 feet, along the North line of said NE¼ NE¼ Section 31; thence South 00°05'15" West, a distance of 55.00 feet, along the West line of said NE¼ NE¼ Section 31 to the POINT OF BEGINNING; thence 55.00 feet offset and parallel to the North line of said NE¼ NE¼ Section 31, North 89°59'05" East, a distance of 989.14 feet; thence South 00°00'00" East, a distance of 177.77 feet; thence North 90°00'00" West, a distance of 94.96 feet; thence South 00°00'47" East, a distance of 319.23 feet; thence South 89°58'18" West, a distance of 157.63 feet; thence South 14°36'55" West, a distance of 154.53 feet; thence South 00°04'05" West, a distance of 255.45 feet; thence South 89°59'13" West, a distance of 213.05 feet; thence North 00°03'41" East, a distance of 148.46 feet; thence South 89°24'33" West, a distance of 151.48 feet; thence South 82°36'50" West, a distance of 178.88 feet; thence South 50°11'34" West, a distance of 18.46 feet; thence South 00°05'07" West, a distance of 72.70 feet; thence North 89°54'53" West, a distance of 142.59 feet, to a point on the West line of said NE¼ NE¼ Section 31; thence North 00°05'15" East, a distance of 862.26 feet, along the West line of said NE¼ NE¼ Section 31 to the POINT OF BEGINNING.

Said parcel containing an area of 15.92 Acres, as herein described.

17-95 Mosaic District 1.doc/knr
Prepared by:
Jeffrey C. Fletcher PLS 24953
High Desert Surveying, LLC
1673 Highway 50 Unit C
Grand Junction, Colorado 81503



EXHIBIT A
District 2 Boundary

That property located in The Replat of Twenty Three Park Plaza, as shown on plat recorded at Reception Number 1358204, Mesa County records in the East Half of the Northeast Quarter (E½ NE¼), Section 31, Township 1 North, Range 1 West, of the Ute Meridian in Mesa County, Colorado being more particularly described as follows:

COMMENCING at the Northeast corner of the NE¼ of said Section 31, whence the Northwest corner of the NE¼ NE¼ said Section 31 bears thence South 89°59'05" West, a distance of 1317.73 feet for a basis of bearings, with all bearings contained herein relative thereto; thence South 00°03'41" West, a distance of 1321.50 feet, along the East line of said NE¼ NE¼ Section 31; thence North 89°59'31" West, a distance of 40.00 feet; thence North 00°03'41" East, a distance of 125.90 feet; thence South 89°47'59" West, a distance of 153.89 feet; thence North 00°03'12" East, a distance of 134.82 feet to the POINT OF BEGINNING; thence South 82°20'05" West, a distance of 286.30 feet; thence South 52°05'22" West, a distance of 40.42 feet; thence North 89°56'12" West, a distance of 110.00 feet; thence South 00°00'47" East, a distance of 73.04 feet; thence North 89°54'53" West, a distance of 322.80 feet; thence South 00°05'07" West, a distance of 144.69 feet; thence North 89°55'13" West, a distance of 231.96 feet; thence South 00°03'40" West, a distance of 54.29 feet; thence North 89°54'37" West, a distance of 144.17 feet; thence North 00°05'00" East, a distance of 73.89 feet; thence North 00°05'15" East, a distance of 403.71 feet; thence South 89°54'53" East, a distance of 142.59 feet; thence North 00°05'07" East, a distance of 72.70 feet; thence North 50°11'34" East, a distance of 18.46 feet; thence North 82°36'50" East, a distance of 178.88 feet; thence North 89°24'33" East, a distance of 151.48 feet; thence South 00°03'41" West, a distance of 148.46 feet; thence North 89°59'13" East, a distance of 213.05 feet; thence North 00°04'05" East, a distance of 255.45 feet; thence North 14°36'55" East, a distance of 154.53 feet; thence North 89°58'18" East, a distance of 157.61 feet; thence South 00°02'37" West, a distance of 65.07 feet; thence South 89°19'49" East, a distance of 75.00 feet; thence South 00°03'40" West, a distance of 159.08 feet; thence South 89°56'08" East, a distance of 154.00 feet; thence South 00°03'12" West, a distance of 284.02 feet to the POINT OF BEGINNING.

Said parcel containing an area of 10.82 Acres, as herein described.

17-95 Mosaic District 2.doc/kar
Prepared by:
Jeffrey C. Fletcher PLS 24953
High Desert Surveying, LLC
1673 Highway 50 Unit C
Grand Junction, Colorado 81503



EXHIBIT A
District 3 Boundary

That property located in The Replat of Twenty Three Park Plaza, as shown on plat recorded at Reception Number 1358204, Mesa County records in the East Half of the Northeast Quarter (E½ NE¼), Section 31, Township 1 North, Range 1 West, of the Ute Meridian in Mesa County, Colorado being more particularly described as follows:

COMMENCING at the Northeast corner of the NE¼ of said Section 31, whence the Northwest corner of the NE¼ NE¼ said Section 31 bears thence South 89°59'05" West, a distance of 1317.73 feet for a basis of bearings, with all bearings contained herein relative thereto; thence South 00°03'41" West, a distance of 1321.50 feet, along the East line of said NE¼ NE¼ Section 31; thence North 89°59'31" West, a distance of 40.00 feet; thence South 00°03'13" West, a distance of 266.27 feet; thence South 89°55'33" West, a distance of 1.93 feet; thence South 04°06'03" West, a distance of 300.21 feet; thence North 86°55'53" West, a distance of 437.28 feet to the POINT OF BEGINNING; thence North 87°24'04" West, a distance of 141.86 feet; thence South 89°00'02" West, a distance of 289.29 feet; thence South 04°06'02" East, a distance of 197.14 feet; thence South 85°47'51" West, a distance of 248.41 feet; thence South 85°53'58" West, a distance of 27.41 feet; thence South 00°17'20" West, a distance of 316.74 feet, to a point on the South line of The Replat of Twenty Three Park Plaza; thence North 89°40'27" West, a distance of 126.06 feet, along the South line of said Replat of Twenty Three Park Plaza to a point on the West line of the SE¼ NE¼ said Section 31; thence North 00°05'00" East, a distance of 1000.03 feet, along said West line of the SE¼ NE¼ said Section 31; thence South 89°54'37" East, a distance of 144.17 feet; thence North 00°03'40" East, a distance of 54.29 feet; thence South 89°55'13" East, a distance of 231.96 feet; thence North 00°05'07" East, a distance of 144.69 feet; thence South 89°54'53" East, a distance of 322.80 feet; thence North 00°00'47" West, a distance of 73.04 feet; thence South 89°56'12" East, a distance of 110.00 feet; thence North 52°05'22" East, a distance of 40.42 feet; thence South 00°08'12" West, a distance of 284.68 feet; thence South 00°03'52" West, a distance of 171.89 feet; thence South 04°06'02" West, a distance of 308.52 feet to the POINT OF BEGINNING.

Said parcel containing an area of 14.39 Acres, as herein described.

17-95 Mosaic District 3.doc/knr
Prepared by:
Jeffrey C. Fletcher PLS 24953
High Desert Surveying, LLC
1673 Highway 50 Unit C
Grand Junction, Colorado 81503



EXHIBIT A
District 4 Boundary

That property located in The Replat of Twenty Three Park Plaza, as shown on plat recorded at Reception Number 1358204, Mesa County records in the East Half of the Northeast Quarter (E½ NE¼), Section 31, Township 1 North, Range 1 West, of the Ute Meridian in Mesa County, Colorado being more particularly described as follows:

COMMENCING at the Northeast corner of the NE¼ of said Section 31, whence the Northwest corner of the NE¼ NE¼ said Section 31 bears thence South 89°59'05" West, a distance of 1317.73 feet for a basis of bearings, with all bearings contained herein relative thereto; thence South 00°03'41" West, a distance of 1321.50 feet, along the East line of said NE¼ NE¼ Section 31; thence North 89°59'31" West, a distance of 40.00 feet; thence North 00°03'41" East, a distance of 125.90 feet to the POINT OF BEGINNING; thence South 89°47'59" West, a distance of 153.89 feet; thence North 00°03'12" East, a distance of 418.84 feet; thence North 89°56'08" West, a distance of 154.00 feet; thence North 00°03'40" East, a distance of 159.08 feet; thence North 89°19'49" West, a distance of 75.00 feet; thence North 00°02'37" East, a distance of 65.07 feet; thence North 00°00'47" West, a distance of 319.23 feet; thence South 90°00'00" East, a distance of 94.96 feet; thence North 00°00'00" West, a distance of 177.77 feet, to a point 55.00 feet South of the North line of the NE¼ NE¼ said Section 31; thence North 89°59'05" East, a distance of 288.61 feet, along a line 55.00 feet South of and parallel to said North line of said NE¼ NE¼ said Section 31; thence South 00°03'41" West, a distance of 1140.58 feet, 40.00 feet offset to and parallel with the East line of said NE¼ NE¼ said Section 31, to the POINT OF BEGINNING.

Said parcel containing an area of 7.17 Acres, as herein described.

17-95 Mosaic District 4.doc/knr
Prepared by:
Jeffrey C. Fletcher PLS 24953
High Desert Surveying, LLC
1673 Highway 50 Unit C
Grand junction, Colorado 81503



EXHIBIT A
District 5 Boundary

That property located in The Replat of Twenty Three Park Plaza, as shown on plat recorded at Reception Number 1358204, Mesa County records in the East Half of the Northeast Quarter (E½ NE¼), Section 31, Township 1 North, Range 1 West, of the Ute Meridian in Mesa County, Colorado being more particularly described as follows:

COMMENCING at the Northeast corner of the NE¼ of said Section 31, whence the Northwest corner of the NE¼ NE¼ said Section 31 bears thence South 89°59'05" West, a distance of 1317.73 feet for a basis of bearings, with all bearings contained herein relative thereto; thence South 00°03'41" West, a distance of 1321.50 feet, along the East line of said NE¼ NE¼ Section 31; thence North 89°59'31" West, a distance of 40.00 feet to the POINT OF BEGINNING; thence South 00°03'13" West, a distance of 266.27 feet; thence South 89°55'33" West, a distance of 1.93 feet; thence South 04°06'03" West, a distance of 300.21 feet; thence North 86°55'53" West, a distance of 437.28 feet; thence North 04°06'02" East, a distance of 308.52 feet; thence North 00°03'52" East, a distance of 171.89 feet; thence North 00°08'12" East, a distance of 284.68 feet; thence North 82°20'05" East, a distance of 286.30 feet; thence South 00°03'12" West, a distance of 134.82 feet; thence North 89°47'59" East, a distance of 153.89 feet; thence South 00°03'41" West, a distance of 125.90 feet to the POINT OF BEGINNING.

Said parcel containing an area of 7.59 Acres, as herein described.

17-95 Mosaic District 5.doc/knr
Prepared by:
Jeffrey C. Fletcher PLS 24953
High Desert Surveying, LLC
1673 Highway 50 Unit C
Grand Junction, Colorado 81503



EXHIBIT A
District 6 Boundary

That property located in The Replat of Twenty Three Park Plaza, as shown on plat recorded at Reception Number 1358204, Mesa County records in the East Half of the Northeast Quarter (E½ NE¼), Section 31, Township 1 North, Range 1 West, of the Ute Meridian in Mesa County, Colorado being more particularly described as follows:

COMMENCING at the Northeast corner of the NE¼ of said Section 31, whence the Northwest corner of the NE¼ NE¼ said Section 31 bears thence South 89°59'05" West, a distance of 1317.73 feet for a basis of bearings, with all bearings contained herein relative thereto; thence South 00°03'41" West, a distance of 1321.50 feet, along the East line of said NE¼ NE¼ Section 31; thence North 89°59'31" West, a distance of 40.00 feet; thence South 00°03'13" West, a distance of 266.27 feet; thence South 89°55'33" West, a distance of 1.93 feet; thence South 04°06'03" West, a distance of 300.21 feet to the POINT OF BEGINNING; thence South 04°06'03" West, a distance of 516.29 feet, along the East line of said Replat of Twenty Three Park Plaza; thence North 89°40'27" West, a distance of 1093.28 feet, along the South line of said Replat of Twenty Three Park Plaza; thence North 00°16'54" East, a distance of 316.73 feet; thence North 85°53'58" East, a distance of 27.41 feet; thence North 85°47'51" East, a distance of 248.41 feet; thence North 04°06'02" West, a distance of 197.14 feet; thence North 89°00'02" East, a distance of 289.29 feet; thence South 87°24'04" East, a distance of 141.86 feet; thence South 86°55'53" East, a distance of 437.28 feet to the POINT OF BEGINNING.

Said parcel containing an area of 12.31 Acres, as herein described.

17-95 Mosaic District 6.doc/knr
Prepared by:
Jeffrey C. Fletcher PLS 24953
High Desert Surveying, LLC
1673 Highway 50 Unit C
Grand Junction, Colorado 81503



Exhibit E

INTERGOVERNMENTAL AGREEMENT

BETWEEN THE CITY OF GRAND JUNCTION, COLORADO AND MOSAIC METROPOLITAN DISTRICT NO. 1

THIS AGREEMENT is made and entered into as of the _____ day of _____, 2018, by and between the CITY OF GRAND JUNCTION, a home-rule municipal corporation of the State of Colorado ("City"), and MOSAIC METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (referred to as the "District"). The City and the District are collectively referred to as the Parties.

RECITALS

This District was formed at the same time as Mosaic Metropolitan District Nos. 2 – 6 by order of the Mesa County District Court. The six Mosaic Metropolitan Districts are operating under a single consolidated service plan and the Districts were organized to provide services and to exercise powers as set forth in the Consolidated Service Plan for Mosaic Metropolitan Districts Nos. 1-6 approved by the City on _____, 2018 ("Consolidated Service Plan"). The Consolidated Service Plan calls for the execution of an intergovernmental agreement between the City and each of the Districts and the Parties have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement ("Agreement").

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

COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Consolidated Service Plan) to the City or other appropriate jurisdiction or owners association in a manner consistent with the Consolidated Service Plan and other rules and regulations of the City and applicable provisions of the City Code.

The District is expected to undertake all ownership, operations and maintenance responsibilities for the Public Improvements that are not conveyed to the City or other governmental entities as appropriate, and will do so either itself or by contract with owner associations. If the District operates the facilities, revenue to pay the expenses of operations may be obtained from ad valorem tax revenues or from the assessment of rates, fees, tolls and charges imposed pursuant to the Colorado Special District Act. User fees for use of recreational facilities may be different for residents of the District than for outside users. Approval of the Consolidated Service Plan by the City constitutes the City's agreement that the District may perform these functions.

2. Acquisition of Land for Public Improvements and Easements. The District shall acquire by easement or plat dedication all real property interests for construction of public improvements that will be conveyed to the City by the District. Exceptions must be approved by the City in writing. Failure to comply with this provision shall be deemed a material modification of the Consolidated Service Plan. The District shall acquire all land needed by the City for construction of normal street improvements required by the City through dedication by the District's developers. Exceptions must be approved by the City in writing. Failure to acquire all land needed by the City for construction of street improvements shall be deemed to be a material modification of the Consolidated Service Plan.

3. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction and in accordance with the requirements of the Approved Development Plan. Prior to performing work the District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements. All construction cost estimates are based on the assumption that construction conforms/will conform to applicable local, State or Federal requirements.

4. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Consolidated Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in § 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.

5. Inclusion. The Consolidated Service Plan is designed to allow for each of the six districts to include properties within the Consolidated Service Plan Boundaries (as defined in the Consolidated Service Plan) based on factors such as timing, to obtain Privately Placed Debt and rates of development absorption. The six districts are permitted under the Consolidated Service Plan to include any of the properties within the Consolidated Service Plan Boundaries without modifying the Consolidated Service Plan and without obtaining the consent of the City. The District shall not include within its boundaries any property outside the Consolidated Service Plan Boundaries without the prior written consent of the City Council.

6. Monies from Other Governments/Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, Department of Local Affairs, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

7. Total Debt Issuance. The District shall not issue Debt in excess of \$ _____.

8. Consolidation. Except for the consolidation of any of the six districts, the District shall not file a request with any Court to consolidate with any other Title 32 district without the prior written consent of the City.

9. Bankruptcy Limitation. The limitations contained in the Consolidated Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, have been established under the authority of the City to approve a service plan with conditions pursuant to § 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) shall not be subject to set-aside for any reason or by any court of competent jurisdiction absent a Consolidated Service Plan Amendment; and

(b) are, together with other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) § 903, and are

included in the "regulatory or electoral approval necessary under applicable non-bankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code § 943(b)(6).

(c) any Debt issued with a pledge or which results in a pledge that exceeds Section Maximum Debt Mill Levy shall be deemed a material modification of this Consolidated Service Plan pursuant to § 32-1-207, C.R.S., and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Consolidated Service Plan Amendment.

10. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court for dissolution pursuant to the Special District Act. In no event shall dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State Law.

11. Disclosure to Purchasers. The District will use reasonable efforts to assure that all developers of property located within the District provide written notice to purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, fees, tolls and charges.

12. Consolidated Service Plan Amendment Requirement. Actions of the District which exceed the limitations in the Consolidated Service Plan or this Agreement shall be deemed to be material modifications to the Consolidated Service Plan and a breach of this Agreement and the City shall be entitled to all remedies available at law or in equity under State and local law.

13. Annual Report. The District shall be responsible for submitting an annual report to the City Attorney's office no later than August 1st of each year.

I. Report Contents.

The annual report shall include information as to all of the following:

A. boundary changes made or proposed to the District's boundary as of December 31st of the prior year;

B. agreements with other governmental entities either entered into or proposed as of December 31st of the prior year;

C. a list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the City as of December 31st of the prior year;

D. audit of the District's financial statements for the year ending December 31st of the previous year prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable;

E. notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and

F. any inability of the District to pay its obligations as they come due in accordance with the term of any Debt instruments, which continue beyond a ninety (90) day period.

14. Regional Improvements. The District shall be authorized to coordinate with the City for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of

improvements located outside of the Service Plan Boundaries determined by the City as being necessary to provide service(s) to the development, but also providing service to properties within the City that are not within the development ("Regional Improvements"). The District shall also be authorized to contribute a portion of the capital costs and/or operation and maintenance costs of the Regional Improvements in amounts agreed upon and set forth in an intergovernmental agreement between the District and the City.

15. Maximum Debt Mill Levy. The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

A. Excess of 50% of Assessed Value. For any portion of the District's aggregate Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in (ii) below, adjusted to account for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement. The mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be finding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2018, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

B. Debt Equal to or Less Than 50% of Assessed Value. For any portion of a District's aggregate Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

C. Pledge of Mill Levy. For purposes of the foregoing, once Debt has been determined to within section (ii) above so that a District is entitled to pledge to its payment an unlimited *ad valorem* mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S., and all other requirements of State law.

D. Maximum Mill Levy for Payment of Debt. The maximum mill levy a District can impose for payment of Debt shall be 50 mills; provided, however, that if the method of calculating assessed valuation is changed after the date of approval of this Consolidated Service Plan, the mill levy limitation may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

E. Payment of Interest to Developer. 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 be established but without compounding. An individual District shall not impose a levy for repayment of 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 mill levy. Notwithstanding any other provision hereof, such Debt referred to in the preceding sentence shall be deemed to be discharged at such time as the mill levy is suspended at the end of the 40 year period.

16. Debt Instrument Disclosure Requirement. In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Consolidated Service Plan for creation of the District. Similar language describing the limitations in respect to the payment of the principal of and interest on Debt set forth in this Consolidated 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.

17. Security for Debt. The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in the Consolidated Service Plan. Approval of the Consolidated Service Plan and this Agreement shall not be construed as a guarantee by the City of payment of any of the District's obligations, nor shall anything in the Consolidated Service Plan or this Agreement be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

18. Notices. All notices, demands, requests or other communications to be sent by one party to the other shall be in writing and deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via Federal Express or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Mosaic Metropolitan District No. 1
c/o John Justus
Hoskin Farina & Kampf, P.C.
P.O. Box 40
Grand Junction, Colorado 81502

To the City: City of Grand Junction
c/o John Shaver, City Attorney
250 N. 5th Street
Grand Junction, CO 81501

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party at least ten (10) days advance written notice, the Parties shall have the right from time to time to change its address.

19. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties and without amendment to the Consolidated Service Plan.

20. Assignment. Neither Party shall assign any of its rights nor delegate any of its duties to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of these restrictions shall be void and of no effect.

21. Default/Remedies. In the event of a breach or default of this Agreement by a Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce this Agreement, the prevailing Party shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees and costs.

22. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado, and as applicable the law of the City of Grand Junction, Colorado.

23. Inurement. Each of the terms, covenants and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

24. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

25. Interested Parties. 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 District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

26. Severability. If any part of this Agreement shall, for any reason, be held invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

27. 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.

28. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Consolidated Service Plan.

Dated effective the year and date first above written.

MOSAIC METROPOLITAN DISTRICT No. 1

CITY OF GRAND JUNCTION, COLORADO

By: _____
President

By: _____
Mayor

Attest:

Attest:

By: _____
Secretary

By: _____
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Legal Counsel for District

City Attorney

Exhibit F

EXHIBIT F
Mosaic Metropolitan Districts No. 1 - 6
Financial Plan

I. Introduction

This finance plan (“Finance Plan”) is being submitted to the City of Grand Junction, Colorado (“City”) by Club Deal 113/114 Park Plaza and Grand Junction Limited Partnership, a Delaware Limited Partnership (the “Developer”) a Colorado limited liability company, as required by Colorado Revised Statute 32-1-202 (2)(b) to provide financial and operational information for Mosaic Metropolitan Districts 1 through 6 (collectively the “Districts”) for the financing of certain public infrastructure (“Public Infrastructure”), as herein defined, relating to Mosaic, a 68.2 acre mixed-use development (“Project”) located in the incorporated boundaries of the City. The Financing Plan states the assumptions related to the financial operations of the Districts.

II. Project Background

A. Project Overview

At buildout, the Project is anticipated to contain approximately 395 for-sale residential units and 185 for-rent multi-family units, as well as 2.39 acres of commercial property estimated to contain an approximate 55 equivalent dwelling units (“EDUs”). The anticipated land uses are shown below and a conceptual land use plan has been included as **Exhibit FP-1**.

Mosaic Land Use Plan				
<u>Lot Type / Size</u>	District 1	District 2-		Estimated
	Units	6 Units	Total Units	Unit Price ²
For-Sale Residential Units	80	315	395	\$ 268,733
For-Rent Multi-family Units	0	185	185	\$ 160,000
Commercial EDU ₁	0	55	55	\$ 234,051
Total / Average	80	555	635	\$ 234,051

Footnotes

¹ Equivalent Dwelling Units

² In 2018 Dollars.

Source: Developer



At present, only the specific location and size of District 1 has been established. The sizes and locations of Districts 2 through 6 will be determined based on local market real estate trends. As development of the Project moves forward, Project property will be annexed into the Districts. The timing and designation of the property to be annexed into Districts will depend on local real estate market conditions, the construction of public improvements, and the rate of sale of residential and commercial uses.

B. Construction Costs

The estimated total cost of the improvements including public sanitary sewer, water, streets, storm drainage facilities, irrigation, and landscaping excluding related soft costs (collectively the “Public Improvements”) is approximately \$13.1 million (2018) of which approximately \$9.1 million has been determined as eligible for financing by the Districts. A summary of the Project’s estimated Public Improvement costs have been provided in **Exhibit FP-2**.

C. District Financing Overview

In order to finance the Public Improvements outlined in Exhibit FP-2, the Developer requests that the City establish the six (6) Districts, and provide the Districts with the authority to utilize both Special Assessment Bonds (“SA Bonds”) and General Obligation Bonds (“GO Bonds”).

III. Financing Plan

A. District Boundary

The Districts will be established as illustrated in Exhibit FP-3. At present, only the specific location of District Number 1, which encompasses all of Phase 1 of the Project, has been determined. As development of the Project moves forward based upon the local real estate market trends, as many as five (5) additional Districts will be utilized to facilitate the financing of the Public Improvements. Land area will be annexed into the remaining five (5) Districts as deemed appropriate by the Developer. At build-out, the Districts will include approximately 580 residential units, which are anticipated to include approximately 1,351 individuals, or 2.33 people per household¹.

B. Public Improvements

The Districts are being established to finance the construction, acquisition, and/or operation of the Project’s Public Improvements and all necessary appurtenances as outlined in Exhibit FP-2. Upon the construction and/or acquisition of the Public Improvements, the Public Improvements will be dedicated by the District to the City and/or corresponding governmental entity for on-going operations and maintenance. All Public Improvements will be constructed to City, county, state, and federal standards as required.

C. Bond Financing

- i. Special Assessment Bond – Special Assessment Bonds will be issued on a phase-by-phase basis assuming a 3-to-1 value-to-lien ratio as supported by an MAI appraisal. SA Bond issuances assume Public Improvements to be financed by the SA Bonds and/or for which completion guarantees have been provided is in place as of the date of valuation. It is estimated that the SA liens will range from \$5,500 to \$7,300 per unit based upon a 25 mill ad valorem tax rate equivalency as detailed in Exhibit FP-4. The weighted average SA lien amount is estimated to be approximately \$5,738 per unit; however, the actual lien amount may vary depending upon the costs of the Public Infrastructure, the type of lot being assessed, and the benefit determined to have been received by each classification by the assessment engineer. Assessment bonds will have a term of 20 years or the longest term allowed by law. The assessment liens will be passed on to the end users of the property who will pay-off the liens over their 20 year term. It is anticipated that the SA Bonds will produce approximately \$4,526 per unit in net construction proceeds.
- ii. General Obligation Bond – GO Bonds will be supported by a 25 mill levy (debt service only) increase in the ad valorem property taxes for properties contained within the boundaries of the Districts along with 6.0 percent specific ownership taxes on the mill levy collection. The Districts will have a maximum debt limitation of \$12,000,000. The GO Bond authorization is anticipated to have a life of 40 years or the longest term

¹ Per the Census Bureau American Fact Finder 2012-2016 American Community Survey.

permitted by law. GO Bonds will be issued once a significant number of the units to be contained within the District have been completed and are on the County tax rolls. Until this time the 25 mill tax levy will be utilized to reimburse the Developer for previously provided public infrastructure. It is estimated that the GO Bonds will provide approximately \$6,151 per unit in net construction proceeds.

- iii. Operations and Maintenance - At the discretion of the District Boards, the Districts may levy an operations and maintenance tax of no more than five (5) mills to assist in the administration of the District(s) and on-going maintenance of any District maintained Public Improvements (if any).
- iv. Estimated Bond Issuances - As the local real estate market dictates, the Districts will issue at least one SA Bond per District upon the commencement of construction of Public Improvements within each District. Furthermore, the Developer anticipates that the District will issue at least one GO Bond (one per District) once a significant number of residential units have been constructed and are on the County tax rolls. As outlined below, it is anticipated that the Districts will issue approximately \$8.5 million in gross bonds to generate approximately \$6.8 million in net bond proceeds to construct and/or acquire a portion of the Public Improvements outlined in **Exhibit FP-2**.

Mosaic Special Assessment and General Obligation Bond Summary

<u>Special Assessment Bonds (1)</u>	<u>Total</u>	
Bond Proceeds	\$ 3,643,444	\$ 5,738
Cost of Issuance	\$ (182,172)	\$ (287)
Underwriter Fee	\$ (72,869)	\$ (115)
Capitalized Interest	\$ (200,389)	\$ (316)
Reserve Fund	\$ (313,883)	\$ (494)
Net Assessment Bond Proceeds	\$ 2,874,130	\$ 4,526
<u>General Obligation Bonds (1)</u>	<u>Total</u>	
Bond Proceeds - Senior	\$ 4,026,233	\$ 6,341
Bond Proceeds - Subordinate	\$ 794,314	\$ 1,251
Cost of Issuance	\$ (241,027)	\$ (380)
Underwriter Fee	\$ (120,240)	\$ (189)
Capitalized Interest	\$ (231,508)	\$ (365)
Reserve Fund	\$ (322,099)	\$ (507)
Net General Obligation Bond Proceeds	\$ 3,905,672	\$ 6,151
<u>Total Bonds</u>	<u>Total</u>	
Bond Proceeds - Senior	\$ 7,669,676	\$ 12,078
Bond Proceeds - Subordinate	\$ 794,314	\$ 1,251
Cost of Issuance	\$ (423,200)	\$ (666)
Underwriter Fee	\$ (193,109)	\$ (304)
Capitalized Interest	\$ (431,898)	\$ (680)
Reserve Fund	\$ (635,981)	\$ (1,002)
Net Total Bond Proceeds	\$ 6,779,802	\$ 10,677

Source: DPFPG

Footnotes

(1) GO bonds based on a 30 year amortization, 1 year capitalized interest, 5.75% interest rate on senior bonds, 7.75% interest rate on subordinate bonds, 2.0% underwriter discount on senior bonds, 3.0% underwriter discount on subordinate bonds, 5.0% cost of issuance, and a 8.0% reserve fund, SA bonds based on a 20 year amortization, 1 year capitalized interest, 5.50% interest rate, 3.0% underwriter fee, 5.0% cost of issuance, and a 10.0% reserve fund.



v. Estimated Homeowner Obligations

With an estimated average residential unit value of \$321,062 in District Number 1, the total annual property taxes are anticipated to be \$2,664, or \$222 per month; with approximately \$100 per month related to District payments. With an estimated average residential unit value of \$226,221 in Districts Number 2 through 6, the total annual property taxes are anticipated to be \$1,940, or \$162 per month; with approximately \$76 per month related to District payments.

Mosaic Annual Homeowner Obligation Summary

Description	District 1	Districts 2-6
Average Home Price ¹	\$ 321,062	\$ 226,221
Base Mill Levy	63.23	63.23
Base Property Taxes	\$ 1,462	\$ 1,030
Base Tax Rate	0.46%	0.46%
Special Assessment Bonds (25 Mill Equivalent)	\$ 601	\$ 455
General Obligation Bonds (25 Mills)	\$ 601	\$ 455
Total Estimated District Payments	\$ 1,203	\$ 910
Additional District Tax Effective Rate	0.37%	0.40%
Total Annual Taxes	\$ 2,664	\$ 1,940
Total Tax Rate	0.83%	0.86%
Total Monthly Taxes	\$ 222	\$ 162
Monthly District Taxes	\$ 100	\$ 76

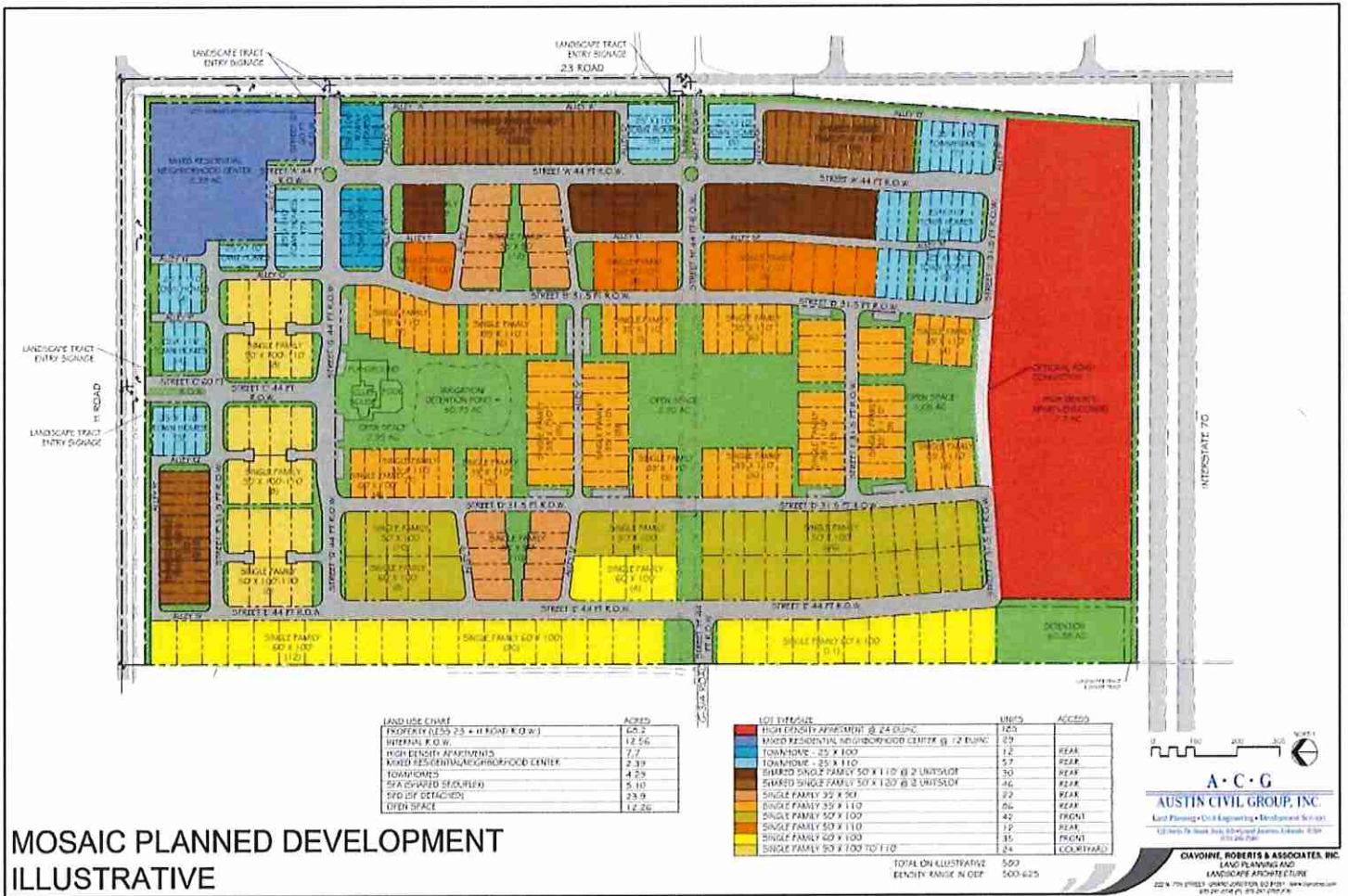
Source: DPFPG

Footnotes

¹ In 2018 Dollars.



Exhibit A: Mosaic Conceptual Land Use Plan



LAND USE CHART	ACRES
PROPERTY (LESS 23' x 11' ROAD R.O.W.)	65.2
INTERNAL R.O.W.	12.56
HIGH DENSITY APARTMENTS	7.7
MIXED RESIDENTIAL NEIGHBORHOOD CENTER	2.33
TOWNHOMES	4.25
SPA DIVIDED SHEDS/PLEX	5.10
TRIO OF DETACHES	23.9
OPEN SPACE	12.26

LOT BREAK	UNITS	ACCESS
HIGH DENSITY APARTMENT @ 24 UNITS	24	REAR
MIXED RESIDENTIAL NEIGHBORHOOD CENTER @ 12 UNITS	12	REAR
TOWNHOME - 25 X 100	25	REAR
SHARED SINGLE FAMILY 50 X 110 @ 2 UNITS/LOT	30	REAR
SHARED SINGLE FAMILY 50 X 120 @ 2 UNITS/LOT	36	REAR
SINGLE FAMILY 35 X 90	32	REAR
SINGLE FAMILY 35 X 110	36	REAR
SINGLE FAMILY 50 X 100	42	FRONT
SINGLE FAMILY 50 X 110	32	REAR
SINGLE FAMILY 60 X 100	35	FRONT
SINGLE FAMILY 50 X 100 TO 110	24	LOOKTHRU
TOTAL ON ILLUSTRATIVE DENSITY RANGE N OF	500	500-625

**MOSAIC PLANNED DEVELOPMENT
ILLUSTRATIVE**

A · C · G
AUSTIN CIVIL GROUP, INC.
 Land Planning • Civil Engineering • Development Services
 12100 N. Loop West, Suite 100, Austin, Texas 78751
 512.454.2200

DAVONNE ROBERTS & ASSOCIATES, INC.
 LAND PLANNING AND
 LANDSCAPE ARCHITECTURE
 2200 W. 17th Street, Suite 100, Austin, Texas 78741
 512.454.2200

Exhibit B: Mosaic Estimated Construction Costs

Mosaic Estimated Construction Costs			
Item Description	Total Construction Cost	Estimated Reimbursable Costs ¹	Percent Estimated Reimbursable
Construction Costs ²			
On-Site			
Sanitary Sewer ³	\$ 984,677	\$ 984,677	100.0%
Domestic Water ³	\$ 1,083,705	\$ 1,083,705	100.0%
Streets and Bridges ⁴	\$ 3,948,216	\$ 3,948,216	100.0%
Earthwork ⁵	\$ 1,018,626	\$ 203,725	20.0%
Removals and Resetting	\$ 24,100	\$ 24,100	100.0%
Erosion Control, Seeding, and Soil Retention ⁵	\$ 66,000	\$ 13,200	20.0%
Storm Drainage Facilities	\$ 1,065,600	\$ 1,065,600	100.0%
Irrigation ⁴	\$ 193,500	\$ 193,500	100.0%
Miscellaneous ⁵	\$ 304,450	\$ 60,890	20.0%
Landscaping ⁶	\$ 1,497,019	\$ 1,497,019	100.0%
Recreation Center ⁷	\$ 250,000	\$ -	0.0%
Contingency	\$ 2,659,679	\$ -	0.0%
Total	\$ 13,095,572	\$ 9,074,633	69.3%

Source: Austin Civil Group, Inc.

Footnotes

¹ Final reimbursement eligibility to be determined by an independent certification engineer.

² Does not include gas, cable, phone, geothermal, off-site street improvements, and park/open space fees.

³ Sewer and Water costs are 100% reimbursable; collection and distribution lines connect to the edge of lots only.

⁴ Street and Irrigation costs are 100% reimbursable; alleys, driveways, parking, and streets are being dedicated to the City.

⁵ Earthwork, Erosion Control, and Miscellaneous costs are 20% reimbursable; 80% of site is attributed to over lot grading which is not reimbursable. Miscellaneous costs are exclusive of electrical and off-site sewer costs.

⁶ Landscaping costs are 100% reimbursable; available for public use. Landscaping costs are exclusive of clubhouse costs.

⁷ Recreation Center is not reimbursable; not available for public use.

IMPROVEMENTS COST ESTIMATE

DATE: 8/17/2017

DEVELOPMENT NAME: MOSAIC SUB -CONCEPT ESTIMATE

LOCATION: 23 & H Road - 70 Acres

PRINTED NAME OF PERSON PREPARING: MARK AUSTIN

Note: \$250K Allowance For clubhouse, \$950K Overhead Electrical Frontage Costs, No Gas Cost, No Cable/Phone, No Geothermal, No Offsite Street Improvements, No Park/Open Space Fees

Street Type	Linear Feet
44'-ROW	5,307
31.5' ROW	4,720
20' ALLEY	5,603

Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
A. SANITARY SEWER					
1	12" PVC Sanitary Sewer Main	LF	2,532	\$ 35.00	\$ 88,620.00
2	8" PVC Sanitary Sewer Main	LF	10,278	\$ 32.00	\$ 328,896.00
3	" PVC Sanitary Sewer Main	LF	-		-
4	Sewer services	LF	12,077	\$ 28.00	\$ 338,156.00
5	Sanitary Sewer Manhole	EA	55	\$ 4,200.00	\$ 229,005.00
6	Sanitary Sewer Drop Manhole	EA	-		-
7	Connection to Existing Manhole	EA	-	\$ 500.00	-
8	Concrete Encasement	LF	-		-
			-		-
			-		-
Subtotal Part A Sanitary Sewer					\$ 984,677.00
B. DOMESTIC WATER					
1	8" PVC Water Main	LF	12,049	\$ 23.00	\$ 277,127.00
2	" PVC Water Main	LF	-		-
3	" PVC Water Main	LF	-		-
4	8" Gatevalve	EA	75	\$ 1,700.00	\$ 127,500.00
5	" Gatevalve	EA	-		-
6	Wet Taps On Main By Ute	EA	4	\$ 8,000.00	\$ 32,000.00
7	Water Services	EA	323	\$ 1,500.00	\$ 484,500.00
8	Connect to Existing Water Line	EA	1	\$ 6,000.00	\$ 6,000.00
9	Fire Hydrant with Valve	EA	22	\$ 6,200.00	\$ 135,978.40
10	Utility Adjustments	EA	-		-
11	Blowoff	EA	6	\$ 1,100.00	\$ 6,600.00
12	Flushing and Testing	EA	14	\$ 1,000.00	\$ 14,000.00
			-		-
			-		-
Subtotal Part B - Domestic Water					\$ 1,083,705.40
C1 STREETS					
1	4" PVC Utility/Irrigation sleeves	LF	-	\$ 7.00	-
2	10" PVC Utility/Irrigation sleeves	LF	-	\$ 12.00	-
3	Reconditioning	SY	58,334		-
4	Aggregate Base Course (Class 6) (16" Compacted Thickness) ROW 60'	SY	3,399	\$ 18.00	\$ 61,182.00
5	Aggregate Base Course (Class 6) (16" Compacted Thickness) ROW 44'	SY	16,356	\$ 18.00	\$ 294,412.00
6	Aggregate Base Course (Class 6) (16" Compacted Thickness) ROW 31.5'	SY	14,692	\$ 18.00	\$ 264,460.00

Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
7	Aggregate Base Course (Class 6) (6" Compacted Thickness) 20' Alley	SY	13,977	\$ 8.00	\$ 111,816.00
8	Aggregate Base Course (Class 6) (6" Compacted Thickness) 10' Shared Driveways	SY	1,167	\$ 8.00	\$ 9,336.00
9	Hot Bituminous Paving, Grading (3" thick) ROW-60'	SY	1,917	\$ 28.00	\$ 53,676.00
10	Hot Bituminous Paving, Grading (3" thick) ROW-44'	SY	15,816	\$ 28.00	\$ 442,851.11
11	Hot Bituminous Paving, Grading (3" thick) ROW 31.5'	SY	14,090	\$ 28.00	\$ 394,513.78
12	Concrete Alley (8" Thick) 20' Alley	SY	12,451	\$ 60.00	\$ 747,066.87
13	Concrete Shared Driveway (8" Thick) 10' Private Drive	SY	1,167	\$ 85.00	\$ 99,195.00
14	Geotextile	SY	58,334	\$ 3.00	\$ 175,001.83
15	Concrete Curb (18" Wide by 6" High)	LF	-		\$ -
16	Concrete Curb and Gutter (2' wide) W/ 6" Class 6	LF	6,038	\$ 19.00	\$ 114,722.00
17	Concrete Curb and Gutter (1.5' wide)	LF	-		\$ -
18	Monolithic, Vertical Curb, Gutter and Sidewalk (6" Wide)	LF	-		\$ -
19	Drive Over Curb, Gutter, and Sidewalk (6.5' Wide) W/ 6" Class 6	LF	15,894	\$ 35.00	\$ 558,290.00
20	Concrete Sidewalk (6' Wide) W/6" Base	LF	7,727	\$ 32.00	\$ 247,264.00
21	Concrete Gutter and Driveway Section (8" Thick)	SY	-		\$ -
22	Concrete Drainage Pan (6" Wide, 2" Thick)	LF	-		\$ -
23	Concrete Corner Fillet	SY	2,895	\$ 80.00	\$ 215,600.00
24	Concrete Curb Ramp	EA	-	\$ 150.00	\$ -
25	Complete Concrete Corner	EA	-		\$ -
26	Concrete Driveway (8" Thick)	SY	-		\$ -
27	Driveway/Concrete Repair	SY	-		\$ -
28	Retaining Walls	LF	-		\$ -
29	Street Signs	EA	-	\$ 150.00	\$ -
30	Striping (New, Remove/Replace)	LF	-		\$ -
31	Street Lights	EA	40	\$ 4,000.00	\$ 160,830.00
32	End of Roadway Markers/Signs	EA	-	\$ 300.00	\$ -
33	Flowable Fill	CY	-	\$ 60.00	\$ -
34	Sleeves, 4", 12' PVC	LF	-		\$ -
			-		\$ -
			-		\$ -
C2	BRIDGES				\$ -
1	Box Culvert Pre-Cast	LS	-		\$ -
2	Box Culvert Cast-in-Place	LS	-		\$ -
3	Wingwalls	LS	-		\$ -
4	Parapet Wall	LS	-		\$ -
5	Railing (handrail, guardrail)	LS	-		\$ -
			-		\$ -
			-		\$ -
	Subtotal Part C - Streets and Bridges				\$ 3,948,216.39
D1	EARTHWORK				

Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
1	Mobilization	LS	1	\$ 30,000.00	\$ 30,000.00
2	Clearing and Grubbing	AC or LS	-	\$ 15,000.00	\$ -
3	Unclassified Excavation - Cut	CY	15,000	\$ 3.00	\$ 45,000.00
4	Unclassified Embankment	CY	75,000	\$ 10.00	\$ 750,000.00
5	Dry Utility Trenching	LF	32,271	\$ 6.00	\$ 193,626.00
			-		
D2	REMOVALS AND RESETTING				
1	Removal of Asphalt	SY	-		\$ -
2	Removal of Miscellaneous Concrete	SY	-		\$ -
3	Remove Curb and Gutter	LF	6,100	\$ 1.00	\$ 6,100.00
4	Removal of Culverts	LF	3,000	\$ 4.00	\$ 12,000.00
5	Remove Structures	EA	12	\$ 500.00	\$ 6,000.00
6	Remove Signs	EA	-		\$ -
7	Remove Fence	LF	-		\$ -
8	Adjust Manhole	EA	-		\$ -
9	Adjust Valvebox	EA	-		\$ -
10	Relocate or Adjust Utilities	LS	-		\$ -
D3	EROSION CONTROL, SEEDING, AND SOIL RETENTION				
1	Sod	SY	-		\$ -
2	Seeding (Native)	SY or AC	-		\$ -
3	Seeding (Bluegrass/Lawn)	SY or AC	-		\$ -
4	Hydraulic Seed and Mulching	SY or AC	-		\$ -
5	Soil Retention Blanket	SY	-		\$ -
6	Silt Fence	LF	-		\$ -
7	Straw Waddles	LF	-		\$ -
8	Temporary Berms	LF	4,000	\$ 2.00	\$ 8,000.00
9	Inlet Protection	EA	30	\$ 500.00	\$ 15,000.00
10	Sediment Trap/Basin	EA	-		\$ -
11	Monthly Maintenance/Inspection	Month	16	\$ 500.00	\$ 8,000.00
12	Watering (Dust Control)	AC or LS	70	\$ 500.00	\$ 35,000.00
13	Temporary Irrigation		-		\$ -
			-		
			-		
			-		
D4	STORM DRAINAGE FACILITIES				
1	Finish Grading (incl. Channels, Swales, and Ponds)	AC	5	\$ 3,000.00	\$ 15,000.00
2	18" Storm Drain Pipe	LF	5,200	\$ 40.00	\$ 208,000.00
3	21" Storm Drain Pipe	LF	1,300	\$ 60.00	\$ 78,000.00
4	24" Storm Drain Pipe	LF	1,300	\$ 70.00	\$ 91,000.00
5	30" Storm Drain Pipe	LF	1,915	\$ 80.00	\$ 153,200.00
6	36" Storm Drain Pipe	LF	1,475	\$ 120.00	\$ 177,000.00
7	" Flared End Section	EA	-		\$ -
8	" Flared End Section	EA	-		\$ -
9	48" Storm Drain Manhole	EA	33	\$ 2,800.00	\$ 92,400.00
10	60" Storm Drain Manhole	EA	4	\$ 4,500.00	\$ 18,000.00
11	96" Storm Drain Manhole	EA	-	\$ 8,000.00	\$ -
12	Manhole with Box Base	EA	-		\$ -
13	Connection to Existing MH	EA	-		\$ -

Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
14	Single Curb Opening Storm Drain Inlet	EA	44	\$ 3,500.00	\$ 154,000.00
15	Double Curb Opening Storm Drain Inlet	EA	-		\$ -
16	Area Storm Drain Inlet	EA	34	\$ 1,000.00	\$ 34,000.00
17	Detention Area Outlet structure	EA	3	\$ 15,000.00	\$ 45,000.00
18	Rip-Rap D ₅₀ = ____"	CY	-		\$ -
19	Sidewalk Trough Drain	EA	-		\$ -
20	Pump Systems including Electrical	LS	-		\$ -
			-		
	Subtotal Part D - Grading and Drainage				\$ 2,174,326.00
E1	IRRIGATION				
1	Connect to Existing Pipe	LS	-		\$ -
2	4" Irrigation Pipe	LF	15,000	\$ 7.00	\$ 105,000.00
3	12" Mainline Piping	LF	1,500	\$ 12.00	\$ 18,000.00
4	Fittings and Valves	LS	1	\$ 8,000.00	\$ 8,000.00
5	Services	EA	150	\$ 250.00	\$ 37,500.00
6	Pump System and Concrete Vault	LS	-		\$ -
7	Irrigation Structure	EA	10	\$ 2,500.00	\$ 25,000.00
8	Vacuum Relief and/or Air Release Valve	EA	-		\$ -
			-		
			-		
			-		
E2	LANDSCAPING				
1	Shrub Beds/Rock Mulch/Fabric/Drip	SF	139,283	\$ 3.75	\$ 522,311.25
2	Turf Areas - Large With Trees	SF	181,724	\$ 1.75	\$ 318,017.00
3	Turf Areas - Small With Trees	SF	96,231	\$ 2.25	\$ 216,519.75
4	Silt Trap	LS	1	\$ 40,000.00	\$ 40,000.00
5	Pump and Related	LS	1	\$ 40,000.00	\$ 40,000.00
6	Pond Aeration	LS	1	\$ 10,000.00	\$ 10,000.00
7	Pond Edge Treatment	LF	705	\$ 7.00	\$ 4,935.00
8	Pond Liner	SF	33,000	\$ 2.75	\$ 90,750.00
9	Warranty	LS	1	\$ 8,000.00	\$ 8,000.00
10	Offsite Landscape Areas	SF	84,400	\$ 0.75	\$ 63,300.00
11	Perimeter Fencing	LF	6983	\$ 22.00	\$ 153,186.00
12	Entry Monument Signs	LS	1	\$ 30,000.00	\$ 30,000.00
13	Clubhouse Amenity	LS	1	\$ 250,000.00	\$ 250,000.00
	Subtotal Part E - Landscaping and Irrigation				\$ 1,940,519.00
	Subtotal Construction Costs				\$ 10,131,443.79
F.	Miscellaneous Items				
1	Construction staking/surveying	%	1.00	\$ 10,131,444	\$ 101,314.44
2	Developer's inspection cost	%	0.50	\$ 10,131,444	\$ 50,657.22
3	General construction supervsn	%	0.20	\$ 10,131,444	\$ 20,262.89
4	Quality control testing	%	1.00	\$ 10,131,444	\$ 101,314.44
5	Construction traffic control	%	0.05	\$ 10,131,444	\$ 5,085.72
6	City inspection fees	%	0.01	\$ 10,131,444	\$ 506.57
7	As-builts	%	0.25	\$ 10,131,444	\$ 25,328.61
8	Electrical Power	LS	1.00	\$ 1,800,000	\$ 1,800,000.00
9	Overhead Power Line Bury Along 23 Rd	LS	1.00	\$ 400,000	\$ 400,000.00
10	Overhead Power Line Bury Along G Rd	LS	1.00	\$ 550,000	\$ 550,000.00

Exhibit C: Mosaic District Boundaries

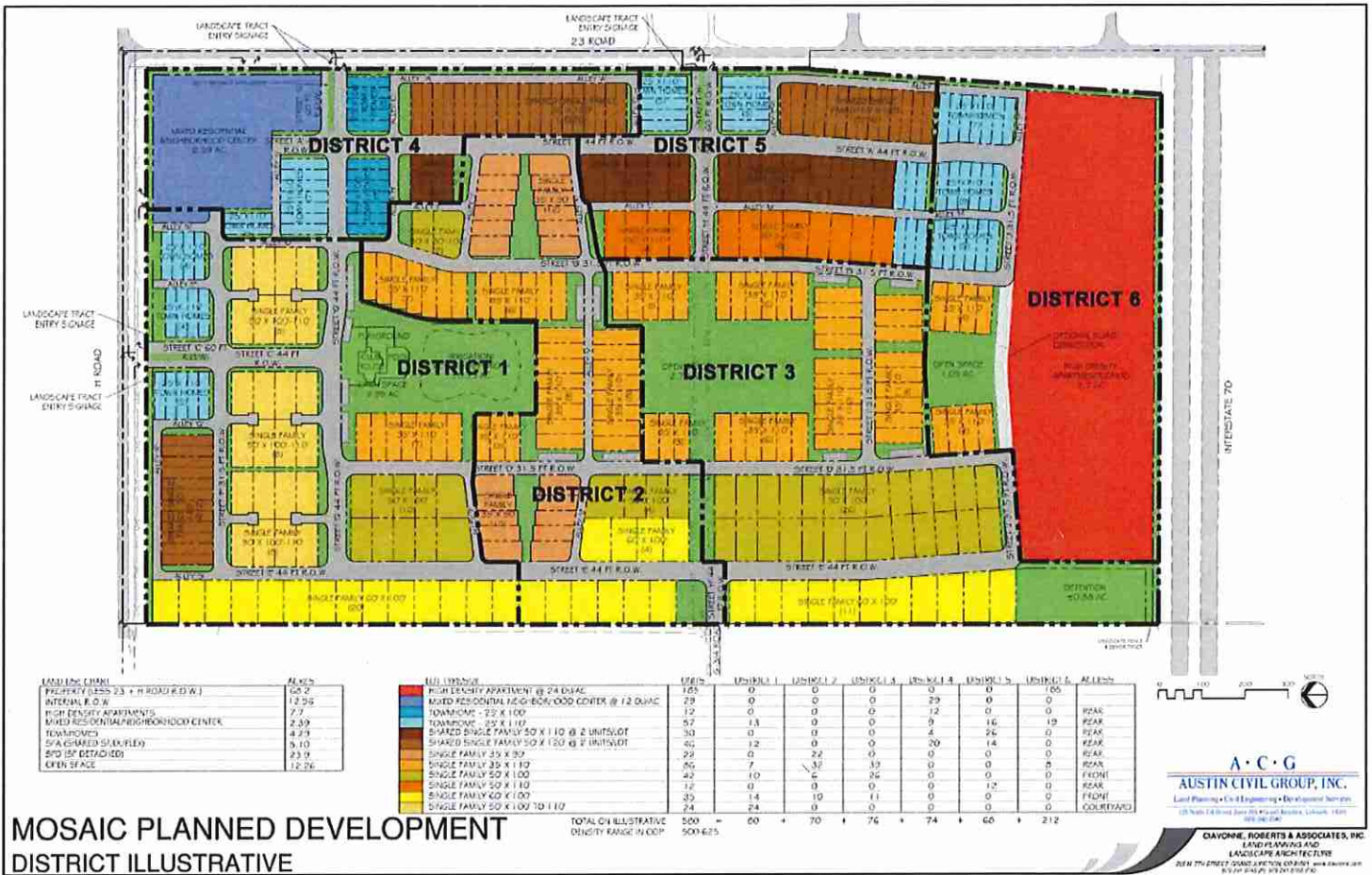


Exhibit D: Mosaic District Cash Flow Projections

Developer_Mosaic - Cash Flow Projections

District 1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Estimated Absorption (1)													
Single-Family	-	-	80	-	-	-	-	-	-	-	-	-	80
Multi-Family	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail EDUs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	80	-	-	-	-	-	-	-	-	-	80
Cumulative	-	-	80	80	80	80	80	80	80	80	80	80	80
Unsold Units	-	80	-	-	-	-	-	-	-	-	-	-	-
Operating Revenue													
Taxes	-	-	-	40,251	49,967	49,967	50,966	50,966	51,966	51,966	53,025	53,025	-
Gross Bond Funds													
GO (2)	-	-	-	727,641	-	-	-	-	-	-	-	-	727,641
SA (3)	-	582,712	-	-	-	-	-	-	-	-	-	-	582,712
Developer SA Remaining Debt Obligation (4)	-	582,712	-	-	-	-	-	-	-	-	-	-	-
Developer SA Debt Service (5)	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Bond Proceeds													
GO (2)	-	-	-	593,689	-	-	-	-	-	-	-	-	593,689
SA (3)	-	459,672	-	-	-	-	-	-	-	-	-	-	459,672
Total Net Bond Proceeds	-	459,672	-	593,689	-	-	-	-	-	-	-	-	1,053,361
District Formation Costs	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Est. Net Proceeds	-	359,672	-	593,689	-	-	-	-	-	-	-	-	-
Est. Cumulative Proceeds	-	359,672	359,672	953,361	953,361	953,361	953,361	953,361	953,361	953,361	953,361	953,361	953,361

Districts 2-6	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Estimated Absorption (1)													
Single-Family	-	-	-	70	76	74	27	68	92	93	-	-	315
Multi-Family	-	-	-	-	-	-	-	-	-	-	-	-	185
Retail EDUs	-	-	-	-	-	55	-	-	-	-	-	-	55
Total	-	-	-	70	76	129	27	68	92	93	-	-	555
Cumulative	-	-	-	70	146	275	302	370	462	555	555	555	555
Unsold Units	-	-	70	76	129	27	68	92	93	-	-	-	-
Operating Revenue													
Taxes	-	-	-	-	34,184	82,656	139,490	161,151	194,183	207,981	244,469	270,334	-
Gross Bond Funds													
GO (2)	-	-	-	-	-	-	-	-	-	-	-	-	-
SA (3)	-	-	3,060,732	-	-	-	-	-	-	-	-	-	4,092,905
Developer SA Remaining Debt Obligation (4)	-	-	336,038	419,127	711,413	148,900	375,009	507,365	512,879	-	-	-	3,060,732
Developer SA Debt Service (5)	-	-	-	36,603	60,432	17,649	31,856	43,099	43,667	-	-	-	217,205
Net Bond Proceeds													
GO (2)	-	-	-	-	-	-	-	-	-	-	-	-	-
SA (3)	-	-	2,414,458	-	-	-	-	-	-	-	-	-	3,311,983
Total Net Bond Proceeds	-	-	2,414,458	-	-	-	-	-	-	-	-	-	5,726,441
District Formation Costs	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Est. Net Proceeds	-	(100,000)	2,414,458	(35,603)	(60,432)	(12,649)	(31,856)	(43,099)	(43,567)	-	-	-	3,311,983
Est. Cumulative Proceeds	-	(100,000)	2,314,458	2,278,855	2,218,423	2,205,774	2,173,919	2,130,820	2,087,253	2,043,686	2,000,119	1,956,552	5,399,336

District 1 and 2	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Estimated Proceeds	-	259,672	2,414,458	558,086	(60,432)	(12,649)	(31,856)	(43,099)	(43,567)	-	-	-	3,311,983
Est. Cumulative Proceeds	-	259,672	2,674,130	3,232,216	3,171,784	3,159,135	3,127,280	3,084,181	3,040,614	3,000,047	2,956,480	2,912,913	6,352,597

Footnotes

District 1	
Gross GO Funds per Unit	9,096
Avg SA Assessment per Unit	7,284
Net GO Funds per Unit	7,411
Net SA Funds per Unit	5,746

Districts 2-6	
Par GO Funds per Unit	7,375
Avg SA Assessment per Unit	5,515
Net GO Funds per Unit	5,908
Net SA Funds per Unit	4,350

- (1) Estimated absorption or unit sale occurs at beginning of year and factors in a 12-month delay for construction and sales.
- (2) GO bonds based on a 30 year amortization, 1 year capitalized interest, 5.75% interest rate on senior bonds, 7.75% interest rate on subordinate bonds, 2.0% underwriter discount on senior bonds, 3.0% underwriter discount on subordinate bonds, 5.0% cost of issuance, and a 1.0% reserve fund.
- (3) SA bonds based on a 20 year amortization, 1 year capitalized interest, 5.50% interest rate, 2.0% underwriter fee, 5.0% cost of issuance, and a 1.0% reserve fund.
- (4) Developer SA remaining debt obligation is based on unsold units.
- (5) Includes one-year of capitalized interest.

Source: DDPG



Exhibit E: Mosaic Special Assessment Debt Schedule

District-1						
Special Assessment Amortization						
Principal: \$ 582,712						
Rate: 5.50%						
Year	Principal Payments	Interest Payments	Debt Service	Reserve Fund	Capitalized Interest	Net Debt Service
2019	-	32,049	32,049	-	(32,049)	-
2020	18,152	32,049	50,201	-	-	50,201
2021	19,150	31,051	50,201	-	-	50,201
2022	20,203	29,998	50,201	-	-	50,201
2023	21,314	28,886	50,201	-	-	50,201
2024	22,487	27,714	50,201	-	-	50,201
2025	23,723	26,477	50,201	-	-	50,201
2026	25,028	25,173	50,201	-	-	50,201
2027	26,405	23,796	50,201	-	-	50,201
2028	27,857	22,344	50,201	-	-	50,201
2029	29,389	20,812	50,201	-	-	50,201
2030	31,005	19,195	50,201	-	-	50,201
2031	32,711	17,490	50,201	-	-	50,201
2032	34,510	15,691	50,201	-	-	50,201
2033	36,408	13,793	50,201	-	-	50,201
2034	38,410	11,790	50,201	-	-	50,201
2035	40,523	9,678	50,201	-	-	50,201
2036	42,752	7,449	50,201	-	-	50,201
2037	45,103	5,098	50,201	-	-	50,201
2038	47,584	2,617	50,201	(50,201)	-	-
\$	582,712	\$ 403,150	\$ 985,861	\$ (50,201)	\$ (32,049)	\$ 903,612
District-2-6						
Special Assessment Amortization						
Principal: \$ 3,060,732						
Rate: 5.50%						
Year	Principal Payments	Interest Payments	Debt Service	Reserve Fund	Capitalized Interest	Net Debt Service
2020	-	168,340	168,340	-	(168,340)	-
2021	95,342	168,340	263,682	-	-	263,682
2022	100,586	163,096	263,682	-	-	263,682
2023	106,118	157,564	263,682	-	-	263,682
2024	111,954	151,728	263,682	-	-	263,682
2025	118,112	145,570	263,682	-	-	263,682
2026	124,608	139,074	263,682	-	-	263,682
2027	131,462	132,221	263,682	-	-	263,682
2028	138,692	124,990	263,682	-	-	263,682
2029	146,320	117,362	263,682	-	-	263,682
2030	154,368	109,315	263,682	-	-	263,682
2031	162,858	100,824	263,682	-	-	263,682
2032	171,815	91,867	263,682	-	-	263,682
2033	181,265	82,417	263,682	-	-	263,682
2034	191,234	72,448	263,682	-	-	263,682
2035	201,752	61,930	263,682	-	-	263,682
2036	212,849	50,834	263,682	-	-	263,682
2037	224,555	39,127	263,682	-	-	263,682
2038	236,906	26,776	263,682	-	-	263,682
2039	249,936	13,746	263,682	(263,682)	-	-
\$	3,060,732	\$ 2,117,571	\$ 5,178,303	\$ (263,682)	\$ (168,340)	\$ 4,746,280

Source: DPFPG



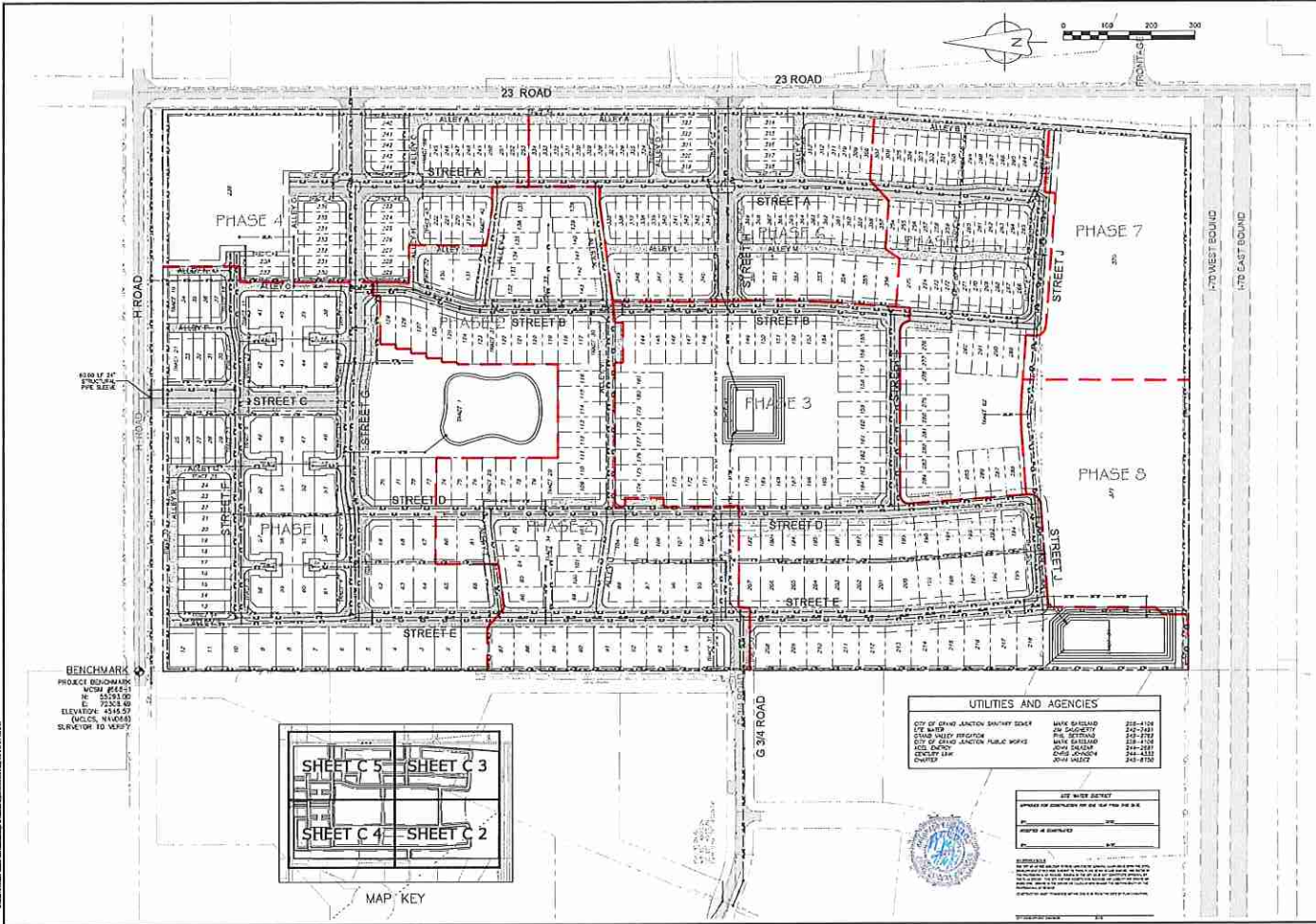
Exhibit F: Mosaic General Obligation Debt Schedule

District-1							
Senior Bond Amortization						Sub Bond Amortization	
Principal: \$ 569,194						Principal: \$158,448	
Rate: 5.75%						Rate: 7.75%	
Year	Principal Payments	Interest Payments	Debt Service	Reserve Fund	Capitalized Interest	Net Debt Service	Surplus Release
2021	-	32,729	32,729	-	(32,729)	-	-
2022	8,062	32,729	40,790	(1,570)	-	39,220	5,463
2023	8,525	32,265	40,790	(1,570)	-	39,220	10,747
2024	9,015	31,775	40,790	(1,570)	-	39,220	11,746
2025	9,534	31,256	40,790	(1,570)	-	39,220	11,746
2026	10,082	30,708	40,790	(1,570)	-	39,220	12,766
2027	10,662	30,129	40,790	(1,570)	-	39,220	12,766
2028	11,275	29,516	40,790	(1,570)	-	39,220	13,805
2029	11,923	28,867	40,790	(1,570)	-	39,220	13,805
2030	12,609	28,182	40,790	(1,570)	-	39,220	14,866
2031	13,334	27,457	40,790	(1,570)	-	39,220	14,866
2032	14,100	26,690	40,790	(1,570)	-	39,220	15,948
2033	14,911	25,879	40,790	(1,570)	-	39,220	15,948
2034	15,769	25,022	40,790	(1,570)	-	39,220	17,051
2035	16,675	24,115	40,790	(1,570)	-	39,220	17,051
2036	17,634	23,156	40,790	(1,570)	-	39,220	18,176
2037	18,648	22,142	40,790	(1,570)	-	39,220	18,176
2038	19,720	21,070	40,790	(1,570)	-	39,220	19,324
2039	20,854	19,936	40,790	(1,570)	-	39,220	19,324
2040	22,053	18,737	40,790	(1,570)	-	39,220	20,495
2041	23,321	17,469	40,790	(1,570)	-	39,220	20,495
2042	24,662	16,128	40,790	(1,570)	-	39,220	21,689
2043	26,080	14,710	40,790	(1,570)	-	39,220	21,689
2044	27,580	13,210	40,790	(1,570)	-	39,220	22,908
2045	29,166	11,624	40,790	(1,570)	-	39,220	22,908
2046	30,843	9,947	40,790	(1,570)	-	39,220	24,150
2047	32,616	8,174	40,790	(1,570)	-	39,220	24,150
2048	34,492	6,299	40,790	(1,570)	-	39,220	25,418
2049	36,475	4,315	40,790	(1,570)	-	39,220	25,418
2050	38,572	2,218	40,790	(1,570)	-	39,220	26,710
\$	569,194	\$ 646,454	\$ 1,215,648	\$ (45,535)	\$ (32,729)	\$ 1,137,384	519,603
District-2-6							
Senior Bond Amortization						Sub Bond Amortization	
Principal: \$ 3,457,039						Principal: \$635,866	
Rate: 5.75%						Rate: 7.75%	
Year	Principal Payments	Interest Payments	Debt Service	Reserve Fund	Capitalized Interest	Net Debt Service	Surplus Release
2028	-	198,780	198,780	-	(198,780)	-	-
2029	48,963	198,780	247,743	(9,537)	-	238,206	32,128
2030	51,779	195,964	247,743	(9,537)	-	238,206	37,535
2031	54,756	192,987	247,743	(9,537)	-	238,206	37,535
2032	57,904	189,839	247,743	(9,537)	-	238,206	43,049
2033	61,234	186,509	247,743	(9,537)	-	238,206	43,049
2034	64,755	182,988	247,743	(9,537)	-	238,206	48,675
2035	68,478	179,265	247,743	(9,537)	-	238,206	48,675
2036	72,416	175,327	247,743	(9,537)	-	238,206	54,412
2037	76,580	171,163	247,743	(9,537)	-	238,206	54,412
2038	80,983	166,760	247,743	(9,537)	-	238,206	60,265
2039	85,640	162,103	247,743	(9,537)	-	238,206	60,265
2040	90,564	157,179	247,743	(9,537)	-	238,206	66,234
2041	95,771	151,972	247,743	(9,537)	-	238,206	66,234
2042	101,278	146,465	247,743	(9,537)	-	238,206	72,323
2043	107,102	140,641	247,743	(9,537)	-	238,206	72,323
2044	113,260	134,483	247,743	(9,537)	-	238,206	78,533
2045	119,772	127,971	247,743	(9,537)	-	238,206	78,533
2046	126,659	121,084	247,743	(9,537)	-	238,206	84,868
2047	133,942	113,801	247,743	(9,537)	-	238,206	84,868
2048	141,644	106,099	247,743	(9,537)	-	238,206	91,330
2049	149,788	97,955	247,743	(9,537)	-	238,206	91,330
2050	158,401	89,342	247,743	(9,537)	-	238,206	97,920
2051	167,509	80,234	247,743	(9,537)	-	238,206	97,920
2052	177,141	70,602	247,743	(9,537)	-	238,206	104,643
2053	187,327	60,416	247,743	(9,537)	-	238,206	104,643
2054	198,098	49,645	247,743	(9,537)	-	238,206	111,500
2055	209,489	38,254	247,743	(9,537)	-	238,206	111,500
2056	221,534	26,209	247,743	(9,537)	-	238,206	118,494
2057	234,272	13,471	247,743	(9,537)	-	238,206	118,494
\$	3,457,039	\$ 3,926,288	\$ 7,383,327	\$ (276,563)	\$ (198,780)	\$ 6,907,984	2,171,690

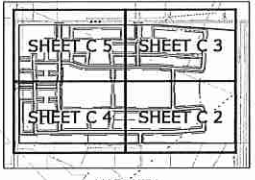
Source: DPFPG



Exhibit G



BENCHMARK
 PROJECE BENCHMARK
 NAD 83
 N 2332.40
 E 4346.57
 SURVEY TO VARY



UTILITIES AND AGENCIES

CITY OF GRAND JUNCTION BURNING DEPT	WAKE BUSHLAND	228-4124
UTL WATER	2ND SOCIETY	542-7421
CIVIL WATER PROTECTION	PHL. SETTING	542-7722
CITY OF GRAND JUNCTION PUBLIC WORKS	WAKE BUSHLAND	228-4124
AGL. ENGINE	2ND SOCIETY	542-7421
CELESTY LAW	CHAS. JOHNSON	244-1111
CHRYSLER	JOHN WELLS	242-8702

CITY WATER DISTRICT

APPROVED BY COMMISSIONER FOR THE DISTRICT

DATE: _____

APPROVED BY DISTRICT

DATE: _____

SUBDIVISION

BY: _____

DATE: _____

APPROVED BY: _____

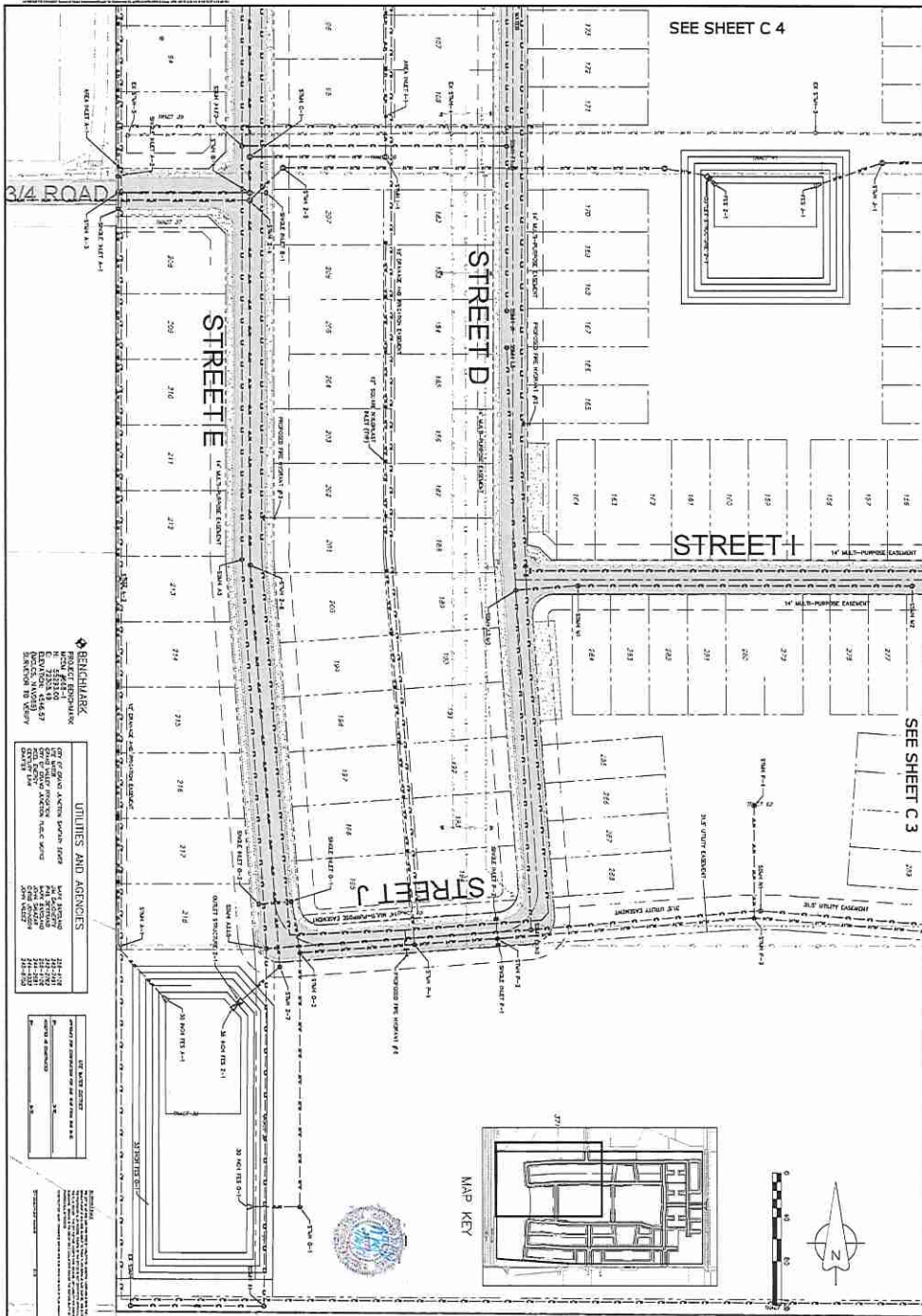
DATE: _____

811
 SCALE: NEIGHBORHOOD
 1" = 100'

A.C.G.
 AUSTIN CIVIL GROUP, INC.
 Land Planning - Civil Engineering - Development Services
 120 North 76 Street, Suite 200, Grand Prairie, Texas 75042
 972.262.5200

MCSAC SUBDIVISION
 OVERALL PRELIMINARY UTILITY
 COMPOSITE PLAN
 Township of Texas

DATE	12/31/10
PROJECT NO.	12331-002
DATE	8/26/17
SCALE	1"=100'
SHEET NO.	C 1



BENCHMARK
 PROJECT BENCHMARK
 N 1234567
 E 1234567
 DIVISION 1234567
 SECTION 1234567
 SECTION 1234567

UTILITIES AND AGENCIES

City of Austin Public Works 1000 Red River Austin, TX 78701 512.475.3100	City of Austin Water Utility 1000 Red River Austin, TX 78701 512.475.3100	City of Austin Sewer Utility 1000 Red River Austin, TX 78701 512.475.3100	City of Austin Electric Utility 1000 Red River Austin, TX 78701 512.475.3100	City of Austin Fiber Optic Utility 1000 Red River Austin, TX 78701 512.475.3100
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NOTES

1. ALL UTILITIES SHOWN ARE BASED ON RECORD DRAWINGS AND FIELD SURVEY.
2. THE LOCATION AND DEPTH OF UTILITIES ARE APPROXIMATE.
3. THE UTILITY LINES ARE SHOWN AS SHOWN ON RECORD DRAWINGS.
4. THE UTILITY LINES ARE SHOWN AS SHOWN ON RECORD DRAWINGS.
5. THE UTILITY LINES ARE SHOWN AS SHOWN ON RECORD DRAWINGS.

REVISIONS

NO.	DATE	DESCRIPTION
1	1/1/17	ISSUED FOR PERMIT
2	1/1/17	ISSUED FOR PERMIT

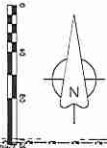
DESIGNED BY: MRH
 CHECKED BY: MRH
 DATE: 1/1/17
 SHEET: C-2

MOSAIC SUBDIVISION
PRELIMINARY UTILITY COMPOSITE
PLAN SOUTHWEST AREA
 Township of Texas

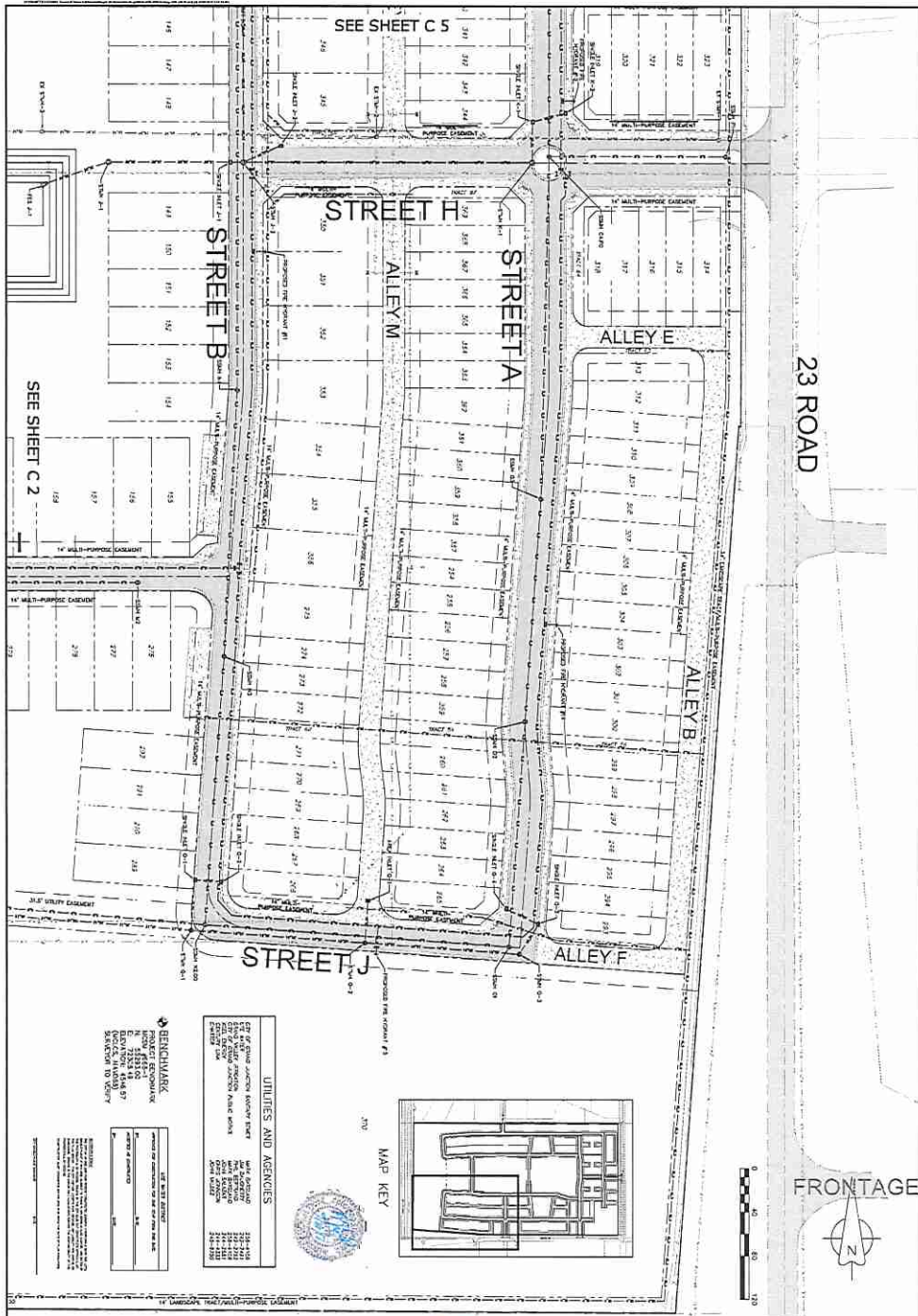


A · C · G
AUSTIN CIVIL GROUP, INC.
 Land Planning • Civil Engineering • Development Services
 123 North 7th Street, Suite 200 • Austin, Texas, 78701
 512.475.1234

NO.	DATE	DESCRIPTION



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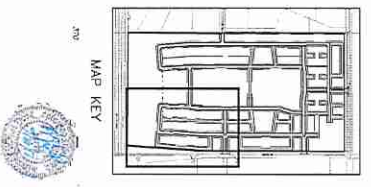
UTILITIES AND AGENCIES

CITY OF GRAND DUTCHMAN WATER DEPT
 1000 W. 11TH ST. SUITE 100
 GRAND DUTCHMAN, TEXAS 75040
 (940) 688-1234

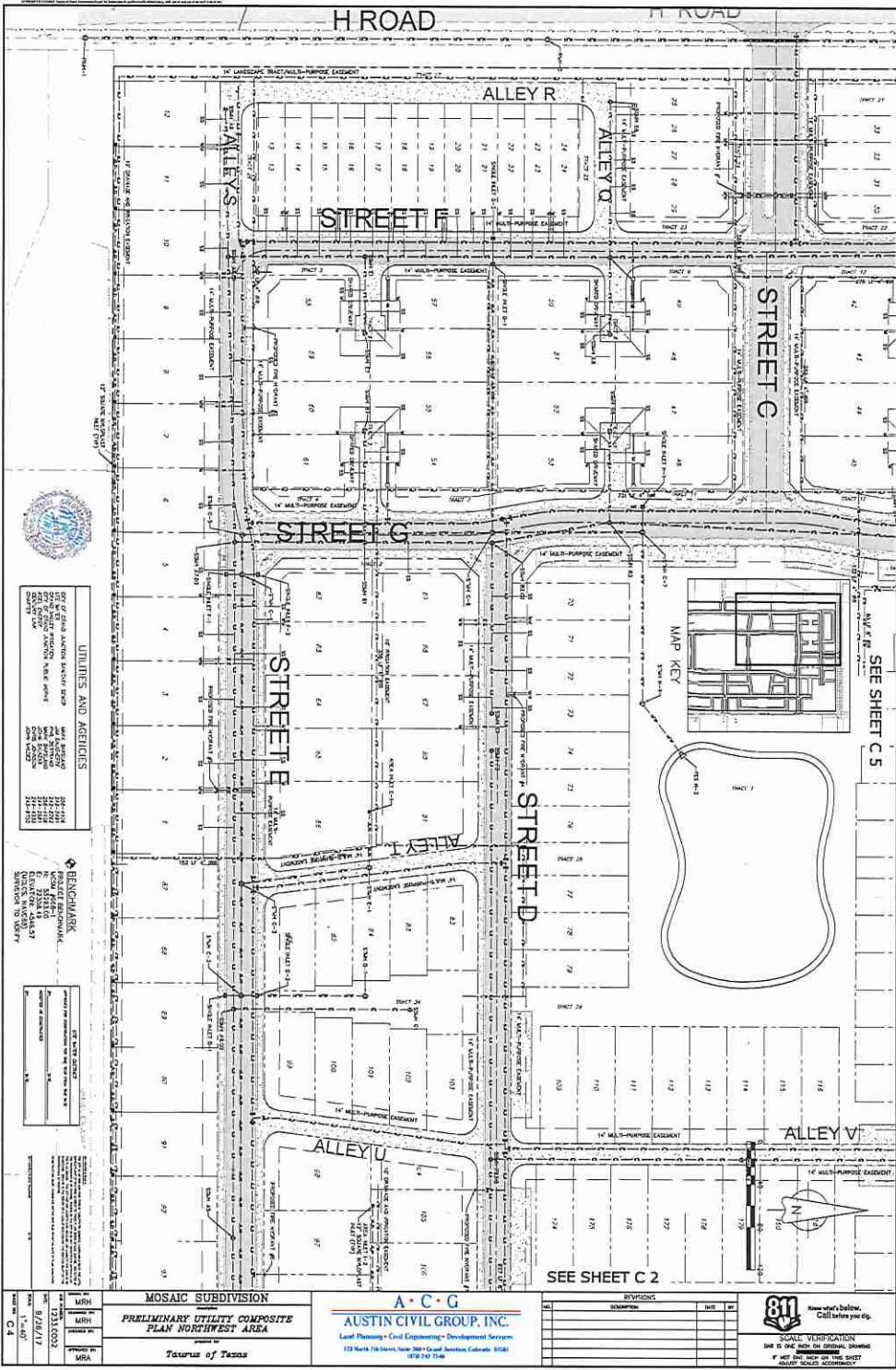
GRAND DUTCHMAN SEWER DEPT
 1000 W. 11TH ST. SUITE 100
 GRAND DUTCHMAN, TEXAS 75040
 (940) 688-1234

GRAND DUTCHMAN GAS DEPT
 1000 W. 11TH ST. SUITE 100
 GRAND DUTCHMAN, TEXAS 75040
 (940) 688-1234

GRAND DUTCHMAN ELECTRIC DEPT
 1000 W. 11TH ST. SUITE 100
 GRAND DUTCHMAN, TEXAS 75040
 (940) 688-1234



MOSAIC SUBDIVISION PRELIMINARY UTILITY COMPOSITE PLAN SOUTHEAST AREA		A · C · G AUSTIN CIVIL GROUP, INC. Land Planning • Civil Engineering • Development Services 132 Mark Twain Street, Suite 200 • Grand Prairie, Colorado 80041 970-240-7000		REVISIONS NO. DATE BY
DRAWN BY: MSH DATE: 7/24/17 CHECKED BY: MSH DATE: 7/24/17 APPROVED BY: MSA	PROJECT NO.: 173345003 SHEET NO.: 17-467 SHEET TOTAL: C-3	SCALE VERIFICATION THIS IS ONE COPY ON ORIGINAL DRAWING APPROVED BY: [Signature] IF ANY ONE COPY OF THIS SHEET IS NOT KEPT ON FILE	<p> 811 Wherever you dig, Call before you dig. </p>	



UTILITIES AND METRICS

DATE: 12/31/2024
 PROJECT: MOSAIC SUBDIVISION
 SHEET: C-4
 DRAWN BY: [Name]
 CHECKED BY: [Name]

BENCHMARK

POINT: BENCH
 ELEVATION: 100.00
 LOCATION: [Address]

SEE SHEET C-5

FOR CONTINUATION OF THIS PLAN

SEE SHEET C-2

FOR CONTINUATION OF THIS PLAN

DATE	12/31/2024
BY	[Name]
CHECKED BY	[Name]
SCALE	AS SHOWN
TITLE	PRELIMINARY UTILITY COMPOSITE PLAN

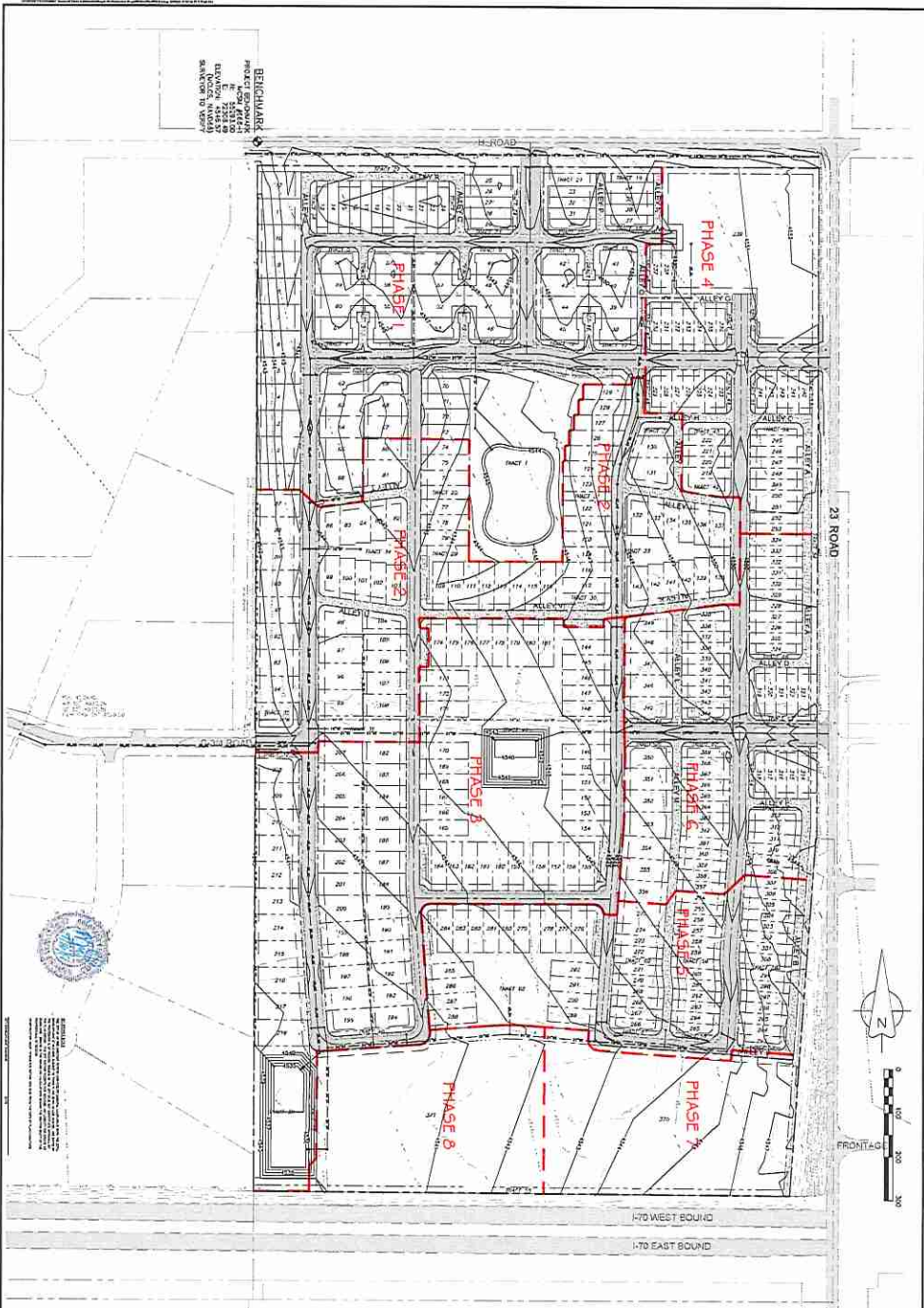
MOSAIC SUBDIVISION
PRELIMINARY UTILITY COMPOSITE PLAN NORTHWEST AREA
 State of Texas

A · C · G
AUSTIN CIVIL GROUP, INC.
 Land Planning • Civil Engineering • Development Services
 123 North 7th Street, Suite 300 • Austin, Texas 78701
 (512) 476-1234

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1	ISSUED FOR PERMIT	12/31/2024
2		
3		

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BENCHMARK
 PROJECT BENCHMARK
 ELEVATION 543.15
 IN RELATION TO NAVY



DATE: 8/26/17
 PROJECT: MOSAIC SUBDIVISION
 SHEET: 1 OF 10
 DRAWN BY: MRH
 CHECKED BY: MSA



DATE: 8/26/17
 PROJECT: MOSAIC SUBDIVISION
 SHEET: 1 OF 10
 DRAWN BY: MRH
 CHECKED BY: MSA

MOSAIC SUBDIVISION
OVERALL PRELIMINARY GRADING AND DRAINAGE PLAN
 TARRANT OF TEXAS

A · C · G
AUSTIN CIVIL GROUP, INC.
 Land Planning • Civil Engineering • Development Services
 133 North 7th Street, Suite 200 • Grand Junction, Colorado 81501
 970.242.7200

NO.	REVISIONS	DATE	BY

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