HIGHLANDS RANCH METROPOLITAN DISTRICT
BOARD MEETING ADDENDA

July 25, 2017

Addendum documents can also be viewed at
http://highlandsranch.org
or
http://intranet.highlandsranch.org/default.aspx

- HRCA Update July 2017 Update
- Capital Improvement Plan 2017 Update – Supplemental Information
Tennis Pavilion Renovation

- Reskin Structure
- October 2017
- **Project Completion**: ~ 3 - 4 weeks
- **Frame**: Good Condition
- **Membrane**: Poor Condition — (17 years old)
NORTHRIDGE RENOVATION PROJECT
UPDATE

Construction Started: 1ST Week of June
Project Completion: ~ 6 Months

Areas - Open:
• Gym & Racquetball Courts
• Locker Rooms
• Indoor & Outdoor Lap Pools
• Tennis Pavilion & Outdoor Tennis Courts

Schedule Dependent
• Fitness Studio

Enter/Exit - Cabana
Capital Improvement Plan
2017 Update – Supplemental Information
July 25, 207
### SDF Calculation

**Updated for current Facility Plan Costs**
- 2017 reduced by $120k

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Construction Costs per 2017 Facility Plan</td>
<td>$189,892,676</td>
</tr>
<tr>
<td>Less contributed capital/other funding</td>
<td>($27,230,341)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>162,662,335</td>
</tr>
<tr>
<td>Adjustment for community enhancement</td>
<td>4,000,000</td>
</tr>
<tr>
<td><strong>Net Construction Costs per 2017 Facilities Plan</strong></td>
<td>$166,662,335</td>
</tr>
<tr>
<td>Systems Development Fees Collected as of 12/31/2016</td>
<td>($152,659,025)</td>
</tr>
<tr>
<td>Total cost to be recovered from remaining gross acres</td>
<td>$14,003,309</td>
</tr>
</tbody>
</table>
System Development Fees
Future Collections vs. Calculated Collections

<table>
<thead>
<tr>
<th></th>
<th>Residential</th>
<th>Nonresidential</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual remaining to collect/full buildout</td>
<td>$8,292,912</td>
<td>$4,649,771</td>
<td>$12,942,684</td>
</tr>
<tr>
<td>To be collected per prior slide</td>
<td>9,032,464</td>
<td>4,970,945</td>
<td>14,003,409</td>
</tr>
<tr>
<td>Over(under) collection</td>
<td>($739,552)</td>
<td>($321,174)</td>
<td>($1,060,726)</td>
</tr>
</tbody>
</table>

- **Possible increase in revenues:**
  - Future Multifamily/Apartment Sites
    - Estimated collection at $36,056 per acre
    - Density usually exceeds minimum per acre resulting in greater collection per acre
    - For example Planning Area 79:
      - 9.276 acres at $36,056 per acre = $334,455
      - Proposed 200 units at minimum $2,420 per unit = $484,000
      - Difference of $149,545

- **Possible reductions in expenditures:**
  - Elimination of traffic signal at County Line/Verona ($87,500)
  - Elimination of Central Park signals ($636,000)
  - Elimination of amounts for older “last chance” arterial landscaping ($370,000)

- **Possible increases/use of reserve for cost changes**
  - Plaza Drive sidewalk west of Lucent
    - Douglas County desires trail width
    - We would request Douglas County funding of difference.
Possible Over Collection / (Shortfall)

<table>
<thead>
<tr>
<th>Projected Shortfall</th>
<th>(1,060,726)</th>
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</thead>
<tbody>
<tr>
<td><strong>Possible Reductions in Expenditures</strong></td>
<td></td>
</tr>
<tr>
<td>Parkway Landscape (unclaimed reimbursements)</td>
<td>370,000</td>
</tr>
<tr>
<td>Reserve for Cost Change</td>
<td>141,000</td>
</tr>
<tr>
<td>County Line/ Verona Traffic Signal</td>
<td>87,500</td>
</tr>
<tr>
<td>Central Park Traffic Signals - Share with DC</td>
<td>318,000</td>
</tr>
<tr>
<td>Move Remaining Trails to CTF</td>
<td>95,055</td>
</tr>
<tr>
<td><strong>Possible Increase in Collection</strong></td>
<td></td>
</tr>
<tr>
<td>Central Park Apartments</td>
<td>139,872</td>
</tr>
<tr>
<td>PA 79 (Plaza Drive) Apartments</td>
<td>149,545</td>
</tr>
<tr>
<td><strong>Over Collection / (Shortfall)</strong></td>
<td>240,246</td>
</tr>
</tbody>
</table>

- Assumes 1/3 of reserve for cost change is not needed
- Assumes share 50/50 on two signals for Central Park
- Interest earned on fund balance 2011 – 2016 $610,000
Staff Recommendation - SDF

- Based on:
  - calculation and known future development
  - Potential increases in collection
  - Net of potential project increases and decreases

- Staff recommends no change to System Development Fees