

MINUTES OF THE CONTINUED JOINT SPECIAL
MEETING OF THE BOARDS OF DIRECTORS OF

HESS RANCH METROPOLITAN DISTRICT NOS. 1-3

Held: Tuesday, April 30, 2019, at 4:30 p.m. at: 7353 S.
Alton Way, Suite A100, Englewood, CO

Attendance

The continued joint special meeting of the Boards of Directors of the Hess Ranch Metropolitan District Nos. 1-3, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

Chris Elliott
Christian Matt Janke
Corey Elliott
Sarah Hunsche

All director absences are deemed excused unless otherwise specified.

Also present: Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel.

Call to Order

It was noted that a quorum of the Boards were present, the continued meeting was formally called to order

Legal Matters

Conduct Public Hearing and Consider Adoption of Resolution and Order Regarding the Inclusion of Real Property into District No. 2 owned by TRI Pointe Homes

Director Janke opened the public hearing on the inclusion of property owned by TRI Pointe Homes into District No. 2. Ms. Murphy noted that notice for the public hearings was made in accordance with Colorado statutes and published in the *Douglas County News Press* on April 25, 2019. A copy of the Affidavit of Publication is attached to these minutes and incorporated herein by reference. No written objections were received prior to the public hearing. After no public comment was made, the public hearing was closed.

Ms. Murphy presented the Board of District No. 2 with the Resolution and Order regarding the Inclusion of Real Property owned by TRI Pointe Homes into the District. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Conduct Public Hearing and Consider Adoption of Resolution and Order Regarding the Exclusion of Real Property from District No. 1 owned by TRI Pointe Homes

Director Janke opened the public hearing on the exclusion of property owned by TRI Pointe Homes from District No. 1. Ms. Murphy noted that notice for the public hearing was made in accordance with Colorado statutes and published in the *Douglas County News Press* on April 25, 2019. A copy of the Affidavit of Publication is attached to these minutes and incorporated herein by reference. No written objections were received prior to the public hearing. After no public comment was made, the public hearing was closed.

Ms. Murphy presented the Board of District No. 1 with the Resolution and Order Regarding the Exclusion of Real Property. Following discussion, upon a motion duly made and seconded, the Board unanimously made the following findings and adopted the resolution:

- Exclusion of the Property is in the best interests of the Property.
- The extraordinary benefits to excluding the Property outweigh the costs of the exclusions.
- The District's ability to provide economical and sufficient service to the Property and all of the properties within the District's boundaries will not be diminished following exclusion of the Property.
- After exclusion, economical and sufficient services will still be available to the Property from Hess Ranch Metropolitan District No. 2.
- After exclusion from the District, the Petitioner intends to include the Property within the boundaries of Hess Ranch Metropolitan District No. 2, which other special district will provide similar services to the Property at a reasonable cost and will be able to pace the development of public improvements and services, and financing of the same, based on the needs of the community.
- The denial of the Petition will result in the inability of the Petitioner to proceed with its development plans, which will result in the inability to create construction jobs and will have a negative economic impact on the region, the District, the surrounding area, and the State as a whole.
- There is economically feasible alternative service available to the Property from Hess Ranch Metropolitan District No. 2.
- There will be no additional costs levied on other property within the District if the exclusion is granted.

Other Business

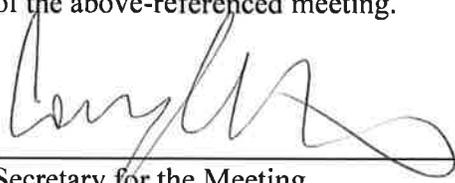
None.

Adjournment

There being no further business to come before the Boards, and following discussion and upon motion duly made, seconded, and unanimously carried, the Boards determined to adjourn the

continued meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting