

**THE PLAZA METROPOLITAN DISTRICT NOS. 1 - 3  
CITY OF LAKEWOOD, COLORADO**

**2022 CONSOLIDATED ANNUAL REPORT**

Pursuant to the Amended and Restated Consolidated Service Plan for The Plaza Metropolitan District No. 1, The Plaza Metropolitan District No. 2, and The Plaza Metropolitan District No. 3 (collectively the “Districts”), the Districts are required to submit an annual report to the City of Lakewood, Colorado (the “City”) which reflects activity and financial events of the Districts. The annual report is to include a copy of the current year budget for each of the Districts, and a summary of construction actually completed in the prior year and construction anticipated to be undertaken in the current year.

The Districts make the following report for 2022:

**1. Budgets**

The current year’s budget for each of the Districts is attached hereto as Exhibit A.

**2. Construction Summary**

A summary of construction actually completed in the prior year and construction anticipated to be undertaken in the current year is attached as Exhibit B.

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**EXHIBIT A**  
**2023 Budgets**

**THE PLAZA METROPOLITAN DISTRICT NO. 1**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**THE PLAZA METRO DISTRICT NO. 1  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/11/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 8,313,387	\$ 8,369,969	\$ 7,793,437
REVENUES			
Developer advance - maintenance fee	1,621,190	1,800,000	1,800,000
Developer advance - maint. fee - mgmt fee	133,333	-	-
Developer advance - parking	-	642	-
Parking fees	59,168	6,000	60,000
CARES Act	10,332	-	-
Maintenance reimbursement from City	74,876	77,851	83,847
Interest income	-	22,000	153,000
Public improvement fees	4,993,928	5,000,000	5,100,000
Incremental tax revenue	7,850,649	8,571,000	7,272,535
Offsite incremental tax revenue	876,757	903,060	930,147
Outparcels tax revenue	382,685	391,070	253,232
Lodging tax	58,026	60,000	65,000
Transfers from Plaza District No. 2	406,743	421,975	339,226
Transfers from Plaza District No. 3	172,949	188,224	182,222
Developer advance - Block 2 Garage	-	136,469	-
Developer advance - Parking Garage	-	-	250,000
Transfers in - Debt Service - Carve out	410,081	418,282	426,648
Transfers in - Debt Service - Fund balance	1,890,552	1,837,895	1,538,055
Total revenues	<u>18,941,269</u>	<u>19,834,468</u>	<u>18,453,912</u>
TRANSFERS IN	<u>1,768,212</u>	<u>1,810,000</u>	<u>1,600,000</u>
Total funds available	<u>29,022,868</u>	<u>30,014,437</u>	<u>27,847,349</u>
EXPENDITURES			
General Fund	1,950,772	2,875,000	2,639,000
Debt Service Fund	16,933,915	17,536,000	16,256,000
Total expenditures	<u>18,884,687</u>	<u>20,411,000</u>	<u>18,895,000</u>
TRANSFERS OUT	<u>1,768,212</u>	<u>1,810,000</u>	<u>1,600,000</u>
Total expenditures and transfers out requiring appropriation	<u>20,652,899</u>	<u>22,221,000</u>	<u>20,495,000</u>
ENDING FUND BALANCES	<u>\$ 8,369,969</u>	<u>\$ 7,793,437</u>	<u>\$ 7,352,349</u>
EMERGENCY RESERVE	\$ 5,100	\$ 3,000	\$ 5,000
PRIMARY DEBT SERVICE RESERVE	7,151,022	7,151,022	7,151,022
UNRESERVED	543,027	372,356	3,718
TOTAL RESERVE	<u>\$ 7,699,149</u>	<u>\$ 7,526,378</u>	<u>\$ 7,159,740</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METRO DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/11/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
State assessed	\$ -	\$ -	\$ 1,312
Vacant land	406	203	203
	406	203	1,515
Adjustments	(337)	(169)	(169)
Certified Assessed Value	\$ 69	\$ 34	\$ 1,346
 <b>MILL LEVY</b>			
Total mill levy	0.000	0.000	0.000
 <b>PROPERTY TAXES</b>			
Budgeted property taxes	\$ -	\$ -	\$ -
 <b>BUDGETED PROPERTY TAXES</b>			
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METRO DISTRICT NO. 1**  
**GENERAL FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/11/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 195,372	\$ 675,920	\$ 270,059
<b>REVENUES</b>			
Interest income	-	2,000	8,000
Developer advance - maintenance fee	1,621,190	1,800,000	1,800,000
Developer advance - maint. fee - mgmt fee	133,333	-	-
Developer advance - parking	-	642	-
Parking fees	59,168	6,000	60,000
CARES Act	10,332	-	-
Maintenance reimbursement from City	74,876	77,851	83,847
Developer advance - Block 2 Garage	-	136,469	-
Developer advance - Parking Garage	-	-	250,000
Transfers in - Debt Service - Carve out	410,081	418,282	426,648
Transfers in - Debt Service - Fund balance	1,890,552	1,837,895	1,538,055
Total revenues	<u>4,199,532</u>	<u>4,279,139</u>	<u>4,166,550</u>
Total funds available	<u>4,394,904</u>	<u>4,955,059</u>	<u>4,436,609</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	46,331	45,000	52,000
Auditing	7,800	8,000	8,000
Dues and subscriptions	1,688	1,688	2,000
Insurance and bonds	28,719	26,044	33,000
Legal services	70,586	55,000	100,000
Miscellaneous	2,502	2,135	-
Election expense	-	3,664	4,000
Repay developer advance	9,089	150,000	-
Contingency	-	-	10,500
Operations and maintenance			
Belmar Detention Pond Improvement Project	-	-	35,000
Engineering	1,080	-	5,000
Lighting	-	115,000	40,000
Operations and maintenance	1,621,190	1,800,000	1,800,000
Operations and maintenance - management fee	133,333	150,000	150,000
Parking operations	28,454	10,000	25,000
Security Camera	-	125,000	125,000
Pylon Sign Easement	-	122,000	122,000
Maintenance - Residential	-	-	2,500
Block 2 Garage	-	136,469	-
Parking garage - Repairs and Maintenance	-	-	250,000
Total expenditures	<u>1,950,772</u>	<u>2,875,000</u>	<u>2,639,000</u>
<b>TRANSFERS OUT</b>			
Transfers to other fund	<u>1,768,212</u>	<u>1,810,000</u>	<u>1,600,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,718,984</u>	<u>4,685,000</u>	<u>4,239,000</u>
ENDING FUND BALANCE	<u>675,920</u>	<u>270,059</u>	<u>197,609</u>
EMERGENCY RESERVE	\$ 5,100	\$ 3,000	\$ 5,000
TOTAL RESERVE	<u>\$ 5,100</u>	<u>\$ 3,000</u>	<u>\$ 5,000</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METRO DISTRICT NO. 1  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/11/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 8,118,015	\$ 7,694,049	\$ 7,523,378
<b>REVENUES</b>			
Interest income	-	20,000	145,000
Public improvement fees	4,993,928	5,000,000	5,100,000
Incremental tax revenue	7,850,649	8,571,000	7,272,535
Offsite incremental tax revenue	876,757	903,060	930,147
Outparcels tax revenue	382,685	391,070	253,232
Lodging tax	58,026	60,000	65,000
Transfers from Plaza District No. 2	406,743	421,975	339,226
Transfers from Plaza District No. 3	172,949	188,224	182,222
Total revenues	<u>14,741,737</u>	<u>15,555,329</u>	<u>14,287,362</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	<u>1,768,212</u>	<u>1,810,000</u>	<u>1,600,000</u>
Total funds available	<u>24,627,964</u>	<u>25,059,378</u>	<u>23,410,740</u>
<b>EXPENDITURES</b>			
General and administrative			
Unrealized investment losses	74,336	400,000	-
Paying agent/trustee fees	4,540	7,500	7,500
Investment management	8,705	9,500	9,500
Fees and expenses - PIF Collection	274,364	286,054	298,248
Transfers to LRA	6,188,572	6,501,254	5,905,034
Transfers out - General Fund - Carve out	410,081	418,282	426,648
Transfers out - General Fund - Fund balance	1,890,552	1,837,895	1,538,055
Debt Service			
Bond interest - Series 2013 Bonds	3,037,765	2,785,515	2,521,015
Bond principal - Series 2013 Bonds	5,045,000	5,290,000	5,550,000
Total expenditures	<u>16,933,915</u>	<u>17,536,000</u>	<u>16,256,000</u>
Total expenditures and transfers out requiring appropriation	<u>16,933,915</u>	<u>17,536,000</u>	<u>16,256,000</u>
ENDING FUND BALANCE	<u>\$ 7,694,049</u>	<u>\$ 7,523,378</u>	<u>\$ 7,154,740</u>
PRIMARY DEBT SERVICE RESERVE	\$ 7,151,022	\$ 7,151,022	\$ 7,151,022
UNRESERVED	543,027	372,356	3,718
TOTAL RESERVE	<u>\$ 7,694,049</u>	<u>\$ 7,523,378</u>	<u>\$ 7,154,740</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Court Order on January 2, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 2 and Plaza Metropolitan District No. 3. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the debt service on the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood (City), Jefferson County, Colorado. The service area constitutes the Belmar development project (Development) in the City.

On November 7, 2000, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$7,000,000 for general operations and maintenance. The District electors also approved \$246,000,000 for debt associated with intergovernmental contracts and \$241,000,000 for refinancing of District debt. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

On May 7, 2002, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer and storm drainage system, \$25,000,000 for parks and recreation, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control and \$7,000,000 for general operations and maintenance. The District electors also approved \$241,000,000 for debt refunding, \$246,000,000 for reimbursement of advances and \$246,000,000 for operating and maintaining facilities. The election also approved an annual increase in taxes of \$500,000 for general operations and maintenance.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Public Improvement Fees/Offsite Revenues**

The District collects a public improvement fee (PIF) of 2.5% (net) on taxable sales generated within the Belmar Tax Increment Area. During 2023, it is anticipated that the District will receive \$5,100,000 in public improvement fees.

Pursuant to the Public Financing Amendment to the Redevelopment Agreement between Plaza Metropolitan District Nos. 1-3, the City of Lakewood, the Lakewood Reinvestment Authority and



**THE PLAZA METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenue – (continued)**

Continuum Development Company, LLC, the District is entitled to all property tax revenue generated within the Belmar Tax Increment Area. During 2023, it is anticipated that the District will receive \$7,272,535 in incremental property tax revenue and \$253,232 in outparcel tax revenue. The District is also entitled to receive property tax revenue from the Offsite Tax Increment Area up to a maximum amount of \$500,000 inflated at 3% per year (base year 2002), which for 2023 is \$930,147.

**Maintenance Fee**

Pursuant to an agreement, SOF-X Belmar Holdings, L.P. performs operational and maintenance functions within the District. SOF-X Belmar Holdings, L.P. charges the District for their share of these expenses, as well as a management fee. The District charges these amounts to the entities that own the commercial property. The amount charged by SOF-X Belmar Holdings, L.P. for operations and maintenance is anticipated to be \$1,800,000 and \$150,000 for management services for 2023, respectively. This amount is also budgeted as a Developer advance from the entities that own the commercial property.

**Maintenance Reimbursement from City**

On May 14, 2004, the District entered into an IGA with the City, whereby the District is to perform certain maintenance functions that the City would normally perform. In exchange for the District providing these services, the City is reimbursing the District \$54,500 annually, as inflated. The amount anticipated for 2023 is \$83,847.

**Pledged Lodging Tax Revenue**

Pursuant to the Public Financing Amendment and the Supplemental Financing Agreement, the City agrees that it will rebate and pledge 1.5% of the City's 3% Lodging Tax imposed on all taxable lodging transactions occurring within the Belmar Tax Increment Area and the Belmar Outparcels Tax Increment Area. During 2023, it is anticipated that the District will receive \$65,000 in Lodging Tax.

**Transfers from Other Districts**

The District anticipates the collection of taxes in District Nos. 2 and 3, which will be transferred to fund debt service expenditures of District No. 1. During 2023, it is anticipated that District No. 1 will receive \$339,226 from District No. 2 and \$182,222 from District No. 3.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2.0%.

**THE PLAZA METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**Capital Outlay**

The budget anticipates no construction activity during 2023.

**Debt and Leases**

The District issued \$98,900,000 Public Improvement Fee/Tax Increment Revenue Refunding Bonds, Series 2013, dated January 30, 2013, to refund Series 2003 and Series 2005 bonds, pay cost of issuance, and to pay off a portion of the outstanding developer advances. The interest rate of bonds is 2.00% to 4.90% with interest payments due on each June 1 and December 1. The bonds consist of term and serial bonds that are due each December 1 with final maturity on December 1, 2040.

The following is an analysis of anticipated changes in long-term obligations for the year ending December 31, 2021:

	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022
Developer Advances				
and Compounded Interest	\$ 42,603,975	\$ 2,675,000	\$ -	\$ 45,278,975
Total	<u>\$ 42,603,975</u>	<u>\$ 2,675,000</u>	<u>\$ -</u>	<u>\$ 45,278,975</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**THE PLAZA METROPOLITAN DISTRICT NO. 1**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
**December 31, 2021**

**\$98,900,000**  
**Public Improvement Fee/Tax Increment**  
**Revenue Refunding Bonds, Series 2013**  
**Dated January 30, 2013**  
**Interest Rate of 2.00% to 4.90% Payable**  
**June, 1 and December 1**  
**Principal Due on December 1**

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 5,550,000	\$ 2,521,015	\$ 8,071,015
2024	5,080,000	2,299,015	7,379,015
2025	5,280,000	2,090,735	7,370,735
2026	5,500,000	1,868,975	7,368,975
2027	2,565,000	1,621,475	4,186,475
2028	1,995,000	1,506,050	3,501,050
2029	1,395,000	1,416,275	2,811,275
2030	1,450,000	1,353,500	2,803,500
2031	1,510,000	1,288,250	2,798,250
2032	1,580,000	1,212,750	2,792,750
2033	1,650,000	1,133,750	2,783,750
2034	1,725,000	1,051,250	2,776,250
2035	1,805,000	965,000	2,770,000
2036	1,885,000	874,750	2,759,750
2037	1,975,000	780,500	2,755,500
2038	2,065,000	681,750	2,746,750
2039	2,160,000	578,500	2,738,500
2040	9,410,000	470,500	9,880,500
	<u>\$ 54,580,000</u>	<u>\$ 23,714,040</u>	<u>\$ 78,294,040</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**THE PLAZA METROPOLITAN DISTRICT NO. 2  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 14,024	\$ 10,477	\$ -
REVENUES			
Property taxes	298,498	308,864	255,464
Specific ownership tax	109,153	106,767	86,594
Interest income	23	500	1,000
Other revenue	-	-	15,000
Total revenues	<u>407,674</u>	<u>416,131</u>	<u>358,058</u>
Total funds available	<u>421,698</u>	<u>426,608</u>	<u>358,058</u>
EXPENDITURES			
Debt Service Fund	411,221	426,608	358,058
Total expenditures	<u>411,221</u>	<u>426,608</u>	<u>358,058</u>
Total expenditures and transfers out requiring appropriation	<u>411,221</u>	<u>426,608</u>	<u>358,058</u>
ENDING FUND BALANCES	<u>\$ 10,477</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Commercial	\$ 63,666,934	\$ 60,339,233	48,654,360
State assessed	197,039	231,646	378,950
Vacant land	1,152,936	439,041	439,244
	<u>65,016,909</u>	<u>61,009,920</u>	<u>49,472,554</u>
Adjustments	(52,013,022)	(48,655,380)	(39,253,983)
Certified Assessed Value	<u>\$ 13,003,887</u>	<u>\$ 12,354,540</u>	<u>\$ 10,218,571</u>
<b>MILL LEVY</b>			
Debt Service	25.000	25.000	25.000
Total mill levy	<u>25.000</u>	<u>25.000</u>	<u>25.000</u>
<b>PROPERTY TAXES</b>			
Debt Service	\$ 325,097	\$ 308,864	\$ 255,464
	<u>325,097</u>	<u>308,864</u>	<u>255,464</u>
Levied property taxes	325,097	308,864	255,464
Adjustments to actual/rounding	(26,599)	-	-
Budgeted property taxes	<u>\$ 298,498</u>	<u>\$ 308,864</u>	<u>\$ 255,464</u>
<b>BUDGETED PROPERTY TAXES</b>			
Debt Service	<u>\$ 298,498</u>	<u>\$ 308,864</u>	<u>\$ 255,464</u>
	<u>\$ 298,498</u>	<u>\$ 308,864</u>	<u>\$ 255,464</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 14,024	\$ 10,477	\$ -
<b>REVENUES</b>			
Property taxes	298,498	308,864	255,464
Specific ownership tax	109,153	106,767	86,594
Interest income	23	500	1,000
Other revenue	-	-	15,000
Total revenues	407,674	416,131	358,058
Total funds available	421,698	426,608	358,058
<b>EXPENDITURES</b>			
County Treasurer's fee	4,478	4,633	3,832
Transfers to Plaza Metro District No. 1	406,743	421,975	339,226
Contingency	-	-	15,000
Total expenditures	411,221	426,608	358,058
Total expenditures and transfers out requiring appropriation	411,221	426,608	358,058
ENDING FUND BALANCE	\$ 10,477	\$ -	\$ -

No assurance provided. See summary of significant assumptions.



**THE PLAZA METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Court Order on January 2, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 1 and Plaza Metropolitan District No. 3. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

On November 7, 2000, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 25 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, 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 the purposes of the foregoing, a change in the ratio of

**THE PLAZA METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and currently the ratio is at 7.15%. Since the District contains virtually no residential property, the District's mill levy will remain at 25.000 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy imposed by the District.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected on the gross Assessed Value.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

**Expenditures**

**Administrative Expenditures**

All administrative functions for the District are to be performed by District No. 1.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Transfers to Other Districts**

The District anticipates transferring all tax revenue in the total amount of \$339,226 to District No. 1's debt service fund.

**Reserves**

**Emergency Reserve**

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**Debt and Leases**

The District has no debt issued and has no operating or capital leases.

**This information is an integral part of the accompanying budget.**

**THE PLAZA METROPOLITAN DISTRICT NO. 3  
ANNUAL BUDGET  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**THE PLAZA METROPOLITAN DISTRICT NO. 3  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 5,448	\$ 4,227	\$ -
REVENUES			
Property taxes	121,698	134,548	132,761
Specific ownership tax	51,906	51,117	50,952
Interest income	-	350	500
Other revenue	-	-	10,000
Total revenues	<u>173,604</u>	<u>186,015</u>	<u>194,213</u>
Total funds available	<u>179,052</u>	<u>190,242</u>	<u>194,213</u>
EXPENDITURES			
Debt Service Fund	174,825	190,242	194,213
Total expenditures	<u>174,825</u>	<u>190,242</u>	<u>194,213</u>
Total expenditures and transfers out requiring appropriation	<u>174,825</u>	<u>190,242</u>	<u>194,213</u>
ENDING FUND BALANCES	<u>\$ 4,227</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Residential Single - Family	\$ 25,494,649	\$ 27,566,230	\$ 13,218,832
Residential Multi- Family	-	-	13,283,283
Commercial	277,722	257,178	237,626
State assessed	572,828	567,810	436,451
Vacant land	444,512	444,512	444,512
	<u>26,789,711</u>	<u>28,835,730</u>	<u>27,620,704</u>
Adjustments	(21,779,284)	(23,483,164)	(22,582,924)
Certified Assessed Value	<u>\$ 5,010,427</u>	<u>\$ 5,352,566</u>	<u>\$ 5,037,780</u>
<b>MILL LEVY</b>			
Debt Service	25.324	25.324	26.353
Total mill levy	<u>25.324</u>	<u>25.324</u>	<u>26.353</u>
<b>PROPERTY TAXES</b>			
Debt Service	\$ 126,884	\$ 135,548	\$ 132,761
Levied property taxes	126,884	135,548	132,761
Adjustments to actual/rounding	(5,186)	-	-
Budgeted property taxes	<u>\$ 121,698</u>	<u>\$ 135,548</u>	<u>\$ 132,761</u>
<b>BUDGETED PROPERTY TAXES</b>			
Debt Service	<u>\$ 121,698</u>	<u>\$ 135,548</u>	<u>\$ 132,761</u>
	<u>\$ 121,698</u>	<u>\$ 135,548</u>	<u>\$ 132,761</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
General and administrative			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -
AVAILABLE FOR OPERATIONS	-	-	-
TOTAL RESERVE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 5,448	\$ 4,227	\$ -
<b>REVENUES</b>			
Property taxes	121,698	134,548	132,761
Specific ownership tax	51,906	51,117	50,952
Interest income	-	350	500
Other revenue	-	-	10,000
Total revenues	173,604	186,015	194,213
Total funds available	179,052	190,242	194,213
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	1,876	2,018	1,991
Transfers to Plaza Metro District No. 1	172,949	188,224	182,222
Contingency	-	-	10,000
Debt Service			
Total expenditures	174,825	190,242	194,213
Total expenditures and transfers out requiring appropriation	174,825	190,242	194,213
ENDING FUND BALANCE	\$ 4,227	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Court Order on November 16, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 1 and Plaza Metropolitan District No. 2. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

On November 6, 2001, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-10 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 20 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor



**THE PLAZA METROPOLITAN DISTRICT NO. 3  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

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. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and for tax collection year 2022 the ratio was at 7.15%.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

Due to this ratio change, the District's mill levy was increased to 26.353 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy imposed by the District.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected on the gross Assessed Value.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

**Expenditures**

**Administrative Expenditures**

All administrative functions for the District are to be performed by District No. 1.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Transfers to Other Districts**

The District anticipates transferring all tax revenue in the total amount of \$182,222 to District No. 1's debt service fund.

**THE PLAZA METROPOLITAN DISTRICT NO. 3  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**Debt and Leases**

The District has no debt issued and has no operating or capital leases.

**This information is an integral part of the accompanying budget.**

**EXHIBIT B**  
**Construction Manager's Report**

## **EXHIBIT B**

### **Construction Manager's Report**

2022 CONSTRUCTION MANAGER'S REPORT

THE PLAZA METROPOLITAN DISTRICT NOS. 1-3

#### **A. GENERAL**

The metropolitan district structure serving the Belmar site consists of three related districts – The Plaza Metropolitan District Nos. 1, 2 and 3. District No. 1 is the coordinating district. It is the owner of all public improvements owned by the metropolitan district and the entity that is party to all of the agreements with the City of Lakewood regarding maintenance obligations on-site and the operation of the onstreet pay parking program. District No. 1 is also the issuer of tax-exempt bonds used to construct public infrastructure and public facilities at Belmar. District No. 2 is the commercial district which includes all commercial property within Belmar. District No. 3 is the residential district, which includes all residential property within Belmar, regardless of location within the site. District Nos. 2 and 3 each have mill levies currently in place. For convenience, the term Plaza Metro District is used when referring to obligations or activities of one or more of these districts. The Plaza Metro District is primarily a vehicle for the creation, operation and maintenance of public infrastructure and public facilities with the Belmar site. All the public streets within Belmar have been constructed by the Plaza Metro District, which in turn dedicated these rights-of-way to the City of Lakewood, with the exception of Upham Street and Bonfils Lane. The Plaza Metro District has also been responsible for the development of water, storm sewer, and sanitary sewer improvements throughout the site. Stormwater improvements have been dedicated to the City of Lakewood, and all water and sewer improvements have been dedicated to the Bancroft-Clover Water and Sanitation District (with the exception of a small amount of water and sanitary system improvements at the northeast corner of the site that were dedicated to either Consolidated Mutual Water Co. or the Alameda Sanitation District).

#### **B. DRY UTILITIES**

Most dry utilities are in place and complete throughout the project.

#### **C. SANITARY SYSTEM AND STORM WATER CONNECTIONS**

No significant improvements were made during 2022 to the main sanitary sewer or stormwater collection systems.

#### **D. WATER IMPROVEMENTS**

No significant actions were required in 2022.

#### E. STREET IMPROVEMENTS, PARKING & TRAFFIC SAFETY

During 2022, pavement repairs were performed on Teller and Alaska as well as other streets of Belmar. Re-stripping of surface parking and the crosswalks were performed throughout the District.

Repairs to 2 of the 4 Parking Garage staircases in 2G and spalling repairs in the 7G Parking Garage were made in 2022.

#### F. PARKS AND RECREATION

The Belmarsh project, the enhancement of the detention pond in the southeast corner of Belmar, completed two phases of planting trees, native grasses, benches, public art and some minor drainage work.

#### G. PROJECT COMPLETION IN 2022

Upgrading the pedestrian lighting along Alaska and Teller to globe lighting was completed during the 3<sup>rd</sup> quarter of 2022.

The renovation of the main pylon sign at the corner of Wadsworth and Virginia Ave was completed in December 2022.

The installation of festoon lighting along Alaska and Teller was also completed in December 2022.

#### PROJECTS ANTICIPATED FOR 2023:

Doran Construction Group is tentatively scheduled to begin construction on the development of the Block 6 parcel parking lot behind the Plaza Condominiums in May 2023.

Paid street parking upgrade/change is being planned for the first quarter of 2023 with Passport Parking's mobile app.

Upgrading and expanding the existing Belmar CCTV system with Stealth Monitoring is projected to be complete by April 2023.

Repairs to the streetlights on the south side of Virginia between Wadsworth and Vance is scheduled to take place during the first quarter of 2023.

Third and final phase of the Belmarsh project which entails restoring and enhancing the walking path around the pond is projected to be completed during the second quarter of 2023.