



DENARGO MARKET METROPOLITAN DISTRICT NO. 2

CITY AND COUNTY OF DENVER, COLORADO

.....

DISCLOSURE STATEMENT

Pursuant to Article VIII of the First Amendment to the Service Plan
of Denargo Market Metropolitan District No. 2

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DISTRICT ORGANIZATION:

The Denargo Market Metropolitan District No. 2 (the “District”), City and County of Denver, Colorado is a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing as a metropolitan district pursuant to Title 32, Part 1, Colorado Revised Statutes. The District was declared organized and an existing metropolitan district on June 30, 2010, pursuant to an Order and Decree, issued by the District Court of the City and County of Denver, Colorado on June 21, 2010 in Case No. 2010CV2049. The Order and Decree was recorded in the records of the Clerk and Recorder for the City and County of Denver on June 30, 2010 at Reception No. 2010071744.

The District is located entirely within the corporate limits of the City and County of Denver, Colorado. The District’s current boundaries as of the date of this Disclosure Statement are shown on **Exhibit A**. The legal description of the property that formed the initial boundaries and proposed inclusion boundaries, if applicable, of the District is described in **Exhibit A-1**.

The District is separate and distinct from any homeowner’s association that may be formed for your property.

The District is required to supply certain information to the State of Colorado Division of Local Government, Department of Local Affairs (“DOLA”). DOLA’s website is located here: <https://cdola.colorado.gov/local-government>, and specific District information can be found here: <https://dola.colorado.gov/lgis/>.

DISTRICT PURPOSE:

The District was organized for the purpose of financing, constructing and installing local and regional public improvements, which may include streets, traffic safety controls, street lighting, monumentation, signage, landscaping, water, sanitary sewer, storm drainage, television relay and park and recreation improvements, all in accordance with its Service Plan approved by the City Council of the City and County of Denver, Colorado, as amended by that certain First Amendment to the Service Plan (the “Service Plan”). A copy of the engineering estimate of costs describing the estimated costs, in 2023 dollars, of the public improvements that may be financed, constructed and installed by the District, as described in the Service Plan, is attached

as *Exhibit B*; in accordance with the Service Plan, such estimate of costs is preliminary and may be subject to change. When completed, such public improvements shall be dedicated to the City and County of Denver or other governmental entities, or owned and maintained by the District, as set forth in the Service Plan, all for the use and benefit of residents and taxpayers, unless the City determines otherwise. The District's Service Plan is on file with DOLA and available for review on DOLA's website at <https://dola.colorado.gov/lgis/> and at the office of the City Clerk, City and County of Denver, 201 West Colfax Avenue, Denver, Colorado 80202.

TAX LEVY AND FEES INFORMATION:

The primary source of revenue for the District is *ad valorem* property taxes. Property taxes are determined annually by the District's Board of Directors and set as to rate or levy based upon the assessed valuation of the property within the District, among other considerations. The levy is expressed in terms of mills. A mill is 1/1,000 of the assessed valuation, and a levy of one mill equals \$1 of tax for each \$1,000 of assessed value of taxable property within the District. The financial forecast for the District (as set forth in its Service Plan) projects that the District will set its tax levy at approximately 50.000 mills for 2023 through 2057 for debt service and administration purposes. Except for certain adjustments permitted by the Service Plan to compensate for legally required changes to assessment valuation ratios, the District shall not impose a debt mill levy in excess of forty (40.000) mills and shall not impose an aggregate mill levy for debt and operations and maintenance purposes in excess of (50.000) mills. In accordance with the Service Plan, the District is also authorized to impose a regional mill levy, at the request of the City and County of Denver, in the amount of ten (10.000) mills for the planning, design, acquisition, funding, construction, installation, relocation and/or redevelopment of regional improvements, and/or to fund the administration and overhead costs related to the provision of regional improvements, in whole or in part ("Regional Mill Levy"); if imposed by the District, the Regional Mill Levy shall be in addition to any debt mill levy and operations and maintenance mill levy that the District may impose.

Subject to any permitted adjustments to compensate for legally required changes to assessment valuation ratios, if the District were to impose the maximum allowable mill levy for all types of mills, a property within the District would have sixty (60.000) mills attributable to the District.

If the District were to impose said maximum allowable mill levy, including the Regional Mill Levy, a property within the District would have increased annual property taxes of Four and 08/100 Dollars (\$4.08) for every \$1,000 of assessed value. District taxes are collected as part of the property tax bill from the City and County of Denver.

The property taxes imposed by the District are in excess of any property taxes imposed by the City and County of Denver, the Denver Public School District, and Urban Drainage and Flood Control District (d/b/a Mile High Flood District). Consequently, properties that are located within the District boundaries may be subject to a different annual tax bill than properties that are located outside of the District boundaries.

The District is also authorized to impose fees, rates, tolls, charges and penalties to offset the costs of the public services and facilities that it provides.

DISTRICT DEBT:

The District anticipates financing a portion or all of its authorized public improvements and/or operations by issuing debt. The District has obtained authorization by its electors for the issuance of debt via various ballot questions. Below is a list of the categories of debt authorizations approved by the District electors as of the date of this Disclosure Statement, including the maximum principal amount of bonds, maximum interest rate, maximum term, and maximum District repayment costs of proposed bonds, for each category:

	Amount Authorized on May 4, 2010	Series 2016A Loan (1)	Series 2016B Loan	Authorized but Unissued
Streets	\$ 25,615,500	\$ 3,600,000	\$ 337,752	\$ 21,677,748
Parks and Recreation	25,615,500	3,700,000	18,501	21,896,999
Water	25,615,500	800,000	4,000	24,811,500
Sanitation	25,615,500	1,900,000	9,500	23,706,000
Transportation	25,615,500	-	-	25,615,500
Mosquito Control	25,615,500	-	-	25,615,500
Traffic and Safety Controls	25,615,500	-	-	25,615,500
Operations and Maintenance	25,615,500	-	559,850	25,055,650
Refundings	25,615,500	-	-	25,615,500
Intergovernmental Agreements	<u>25,615,500</u>	<u>-</u>	<u>-</u>	<u>25,615,500</u>
Total	<u>\$ 256,155,000</u>	<u>\$ 10,000,000</u>	<u>\$ 929,603</u>	<u>\$ 245,225,397</u>

(1) Estimated – The 2016A Loan does not include detailed information related to authorized indebtedness. Amounts are allocated by District purpose (i.e., streets, traffic, and safety controls, etc.) for the debt issuance.

Maximum Interest Rate = 18%

Maximum Term = 30 years

Maximum Repayment Amount for Amounts Authorized on May 4, 2010 = \$2,100,471,000

Pursuant to the Service Plan, the District is permitted to issue bonded indebtedness of up to \$142,000,000; provided however, that the total debt authorization of \$142,000,000 may increase by an additional \$5,000,000 with the prior written approval of the Manager of Finance of the City and County of Denver.

To the extent that the District authorizes the issuance of any additional debt after the date of this Disclosure Statement, the District will prepare and record an updated Disclosure Statement identifying such additional authorized debt.

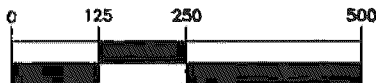
The combined Financing Plan of the District, Denargo Market Metropolitan District No. 1 (“District No. 1”) and Denargo Market Metropolitan District No. 3 (“District No. 3”, and together with the District and District No. 1, the “Districts”) as described in the Service Plan anticipates the Districts issuing debt that has a total par amount of approximately \$141,460,000; please note that this anticipated debt issuance amount is preliminary and is subject to change depending upon actual market conditions present at the time of issuance.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT A
(Current District Boundary Map)

ILLUSTRATION

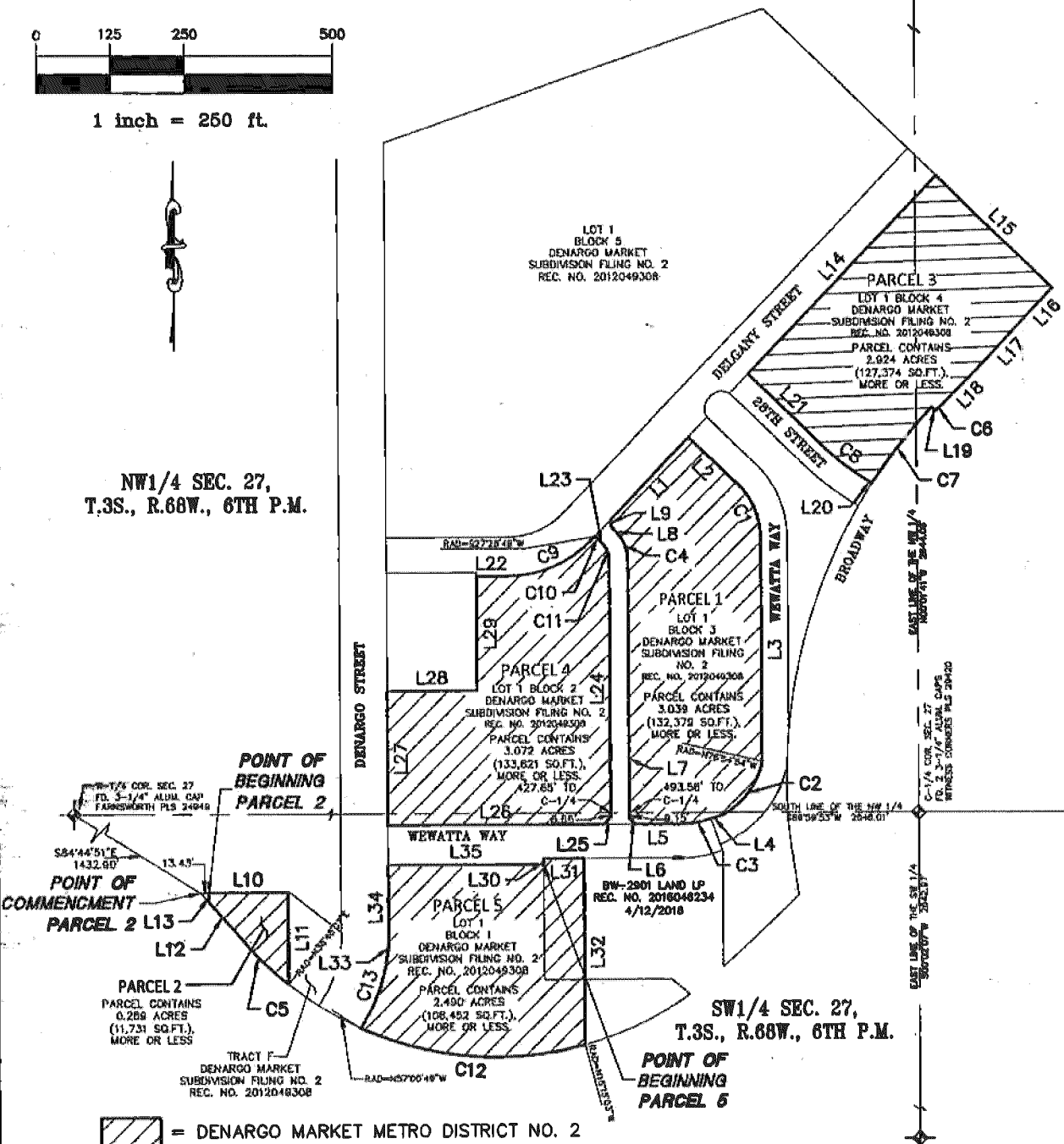
LGID 66223



1 inch = 250 ft.



NW1/4 SEC. 27,
T.3S., R.68W., 6TH P.M.



NOTE: THIS DRAWING DOES NOT REPRESENT A FIELD MONUMENTED SURVEY AND IS ONLY INTENDED TO DEPICT THE ATTACHED LEGAL DESCRIPTION.

PATH:	
DWG NAME:	METRO-DISTRICT-2
DWG:	CWS
CHK:	DCR
DATE:	12/28/2018
SCALE:	1" = 250'

AZTEC
CONSULTANTS, INC.
8000 SOUTH LINCOLN ST., SUITE 201
Littleton, Colorado 80120
Phone: (303) 713-1898
Fax: (303) 713-1897
www.aztecconsultants.com

Q:\104718-01 - Denargo MD-2 Bndy Map\Draw\EXHIBITS

EXHIBIT A

DENARGO MARKET METRO DISTRICT NO. 2

EXHIBIT A-1

(Legal Description of Initial Boundaries and Inclusion Boundaries of District)

Initial District Boundaries
LEGAL DESCRIPTION
DISTRICT NO. 2

A PARCEL OF LAND BEING A PORTION OF TRACT F, DENARGO MARKET SUBDIVISION FILING NO. 1, A SUBDIVISION RECORDED UNDER RECEPTION NO. 2009018921 IN THE RECORDS OF THE CITY AND COUNTY OF DENVER, COLORADO, CLERK AND RECORDER'S OFFICE ON FEBRUARY 17, 2009, LOCATED IN THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP 3 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, SAID CITY, COUNTY AND STATE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST WESTERLY CORNER OF SAID TRACT F, WHENCE THE NORTHERLY BOUNDARY OF SAID TRACT F BEARS NORTH 89°58'19" EAST, A DISTANCE OF 150.21 FEET, WITH ALL BEARINGS HEREON RELATIVE THERETO;

THENCE ALONG SAID NORTHERLY BOUNDARY, NORTH 89°58'19" EAST, A DISTANCE OF 13.43 FEET TO THE **POINT OF BEGINNING**;

THENCE ALONG SAID NORTHERLY BOUNDARY, NORTH 89°58'19" EAST, A DISTANCE OF 132.74 FEET;

THENCE DEPARTING SAID NORTHERLY BOUNDARY, SOUTH 00°01'41" EAST, A DISTANCE OF 153.92 FEET TO THE SOUTHWESTERLY BOUNDARY OF SAID TRACT F AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 564.03 FEET, THE RADIUS POINT OF SAID CURVE BEARS NORTH 38°48'07" EAST;

THENCE ALONG SAID SOUTHWESTERLY BOUNDARY AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°53'50" AN ARC LENGTH OF 126.96 FEET;

THENCE CONTINUING ALONG SAID SOUTHWESTERLY BOUNDARY AND NON-TANGENT TO SAID CURVE, NORTH 41°46'12" WEST, A DISTANCE OF 65.47 FEET;

THENCE DEPARTING SAID SOUTHWESTERLY BOUNDARY, NORTH 00°01'41" WEST, A DISTANCE OF 15.05 FEET TO THE **POINT OF BEGINNING**.

CONTAINING AN AREA OF 0.269 ACRES, (11,731 SQUARE FEET), MORE OR LESS.

EXHIBIT ATTACHED AND MADE A PART HEREOF.



DALE C. RUSH
COLORADO LICENSED PROFESSIONAL LAND SURVEYOR NO. 33204
FOR AND ON BEHALF OF AZTEC CONSULTANTS, INC.

Inclusion Area Boundaries LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF DENARGO MARKET SUBDIVISION FILING NO. 1, A SUBDIVISION RECORDED UNDER RECEPTION NO. 2009018921 IN THE RECORDS OF THE CITY AND COUNTY OF DENVER, COLORADO, CLERK AND RECORDER'S OFFICE ON FEBRUARY 17, 2009, LOCATED IN SECTION 27, TOWNSHIP 3 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, SAID CITY, COUNTY AND STATE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID SUBDIVISION, WHENCE THE MOST NORTHERLY CORNER OF SAID SUBDIVISION BEARS NORTH 46°11'13" WEST, A DISTANCE OF 682.52 FEET, WITH ALL BEARINGS HEREON RELATIVE THERETO;

THENCE ALONG THE EASTERLY AND SOUTHERLY BOUNDARIES OF SAID SUBDIVISION, THE FOLLOWING SEVENTEEN (17) COURSES:

1. SOUTH 42°59'24" WEST, A DISTANCE OF 74.29 FEET;
2. SOUTH 43°02'22" WEST, A DISTANCE OF 105.83 FEET;
3. SOUTH 44°48'34" WEST, A DISTANCE OF 96.15 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 890.65 FEET;
4. SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 00°52'34" AN ARC LENGTH OF 13.62 FEET;
5. NORTH 46°38'00" WEST, A DISTANCE OF 10.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 900.65 FEET, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 46°04'38" EAST;
6. SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 52°50'40" AN ARC LENGTH OF 830.67 FEET;
7. SOUTH 08°56'08" EAST, A DISTANCE OF 56.39 FEET TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 2,940.87 FEET, THE RADIUS POINT OF SAID CURVE BEARS NORTH 44°49'00" WEST;
8. SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 02°42'39" AN ARC LENGTH OF 139.15 FEET;
9. SOUTH 48°04'18" WEST, A DISTANCE OF 37.51 FEET;
10. NORTH 00°01'41" WEST, A DISTANCE OF 195.46 FEET TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 195.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS NORTH 20°58'00" WEST;
11. WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°56'19" AN ARC LENGTH OF 71.26 FEET;
12. SOUTH 89°58'19" WEST, A DISTANCE OF 235.17 FEET;
13. SOUTH 00°01'41" EAST, A DISTANCE OF 148.63 FEET;

Inclusion Area
LEGAL DESCRIPTION CONT.

14. SOUTH 00°01'24" EAST, A DISTANCE OF 54.90 FEET;
15. NORTH 89°58'19" EAST, A DISTANCE OF 217.56 FEET;
16. SOUTH 50°40'14" EAST, A DISTANCE OF 39.71 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 564.03 FEET, THE RADIUS POINT OF SAID CURVE BEARS NORTH 35°34'20" WEST;
17. WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°52'08" AN ARC LENGTH OF 589.36 FEET TO THE SOUTHEAST CORNER OF TRACT A, SAID SUBDIVISION, AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 297.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS NORTH 57°00'49" WEST;

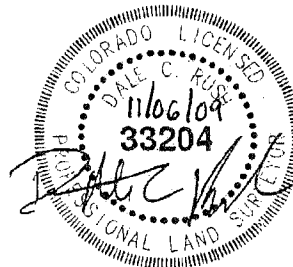
THENCE ALONG THE EASTERLY BOUNDARY OF SAID TRACT A AND NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°55'47" AN ARC LENGTH OF 144.78 FEET TO THE NORTHEAST CORNER OF SAID TRACT A;

THENCE ALONG THE WESTERLY AND NORTHERLY BOUNDARIES OF SAID SUBDIVISION, THE FOLLOWING EIGHT (8) COURSES:

1. SOUTH 71°33'46" EAST, A DISTANCE OF 1.23 FEET;
2. NORTH 00°01'41" WEST, A DISTANCE OF 431.54 FEET;
3. NORTH 89°58'19" EAST, A DISTANCE OF 152.90 FEET;
4. NORTH 00°01'41" WEST, A DISTANCE OF 200.00 FEET;
5. SOUTH 89°58'19" WEST, A DISTANCE OF 152.90 FEET;
6. NORTH 00°01'41" WEST, A DISTANCE OF 726.54 FEET;
7. NORTH 70°49'48" EAST, A DISTANCE OF 683.55 FEET;
8. SOUTH 46°11'13" EAST, A DISTANCE OF 682.52 FEET TO THE **POINT OF BEGINNING.**

CONTAINING AN AREA OF 27.993 ACRES, (1,219,395 SQUARE FEET), MORE OR LESS.

EXHIBIT ATTACHED AND MADE A PART HEREOF.



DALE C. RUSH
COLORADO LICENSED PROFESSIONAL LAND SURVEYOR NO. 33204
FOR AND ON BEHALF OF AZTEC CONSULTANTS, INC.

EXHIBIT B

(Estimated Costs of Public Improvements)

ESTIMATED COST OF PUBLIC IMPROVEMENTS

Soft Cost -Horizontal Infrastructure & Open Space	Prior Costs	Estimated New Costs	
Architecture & Engineering		\$3,000,000	
Other Consulting Engineers		\$200,000	
Geo-Tech, Surveys & Materials Testing		\$1,300,000	
Permits & Utility Fees		\$885,000	
Legal & Insurance		\$565,000	
District Marketing & Branding		\$1,500,000	
Development Management & Administration		\$1,500,000	
Contingency		\$1,500,000	
SOFT COST TOTAL			\$10,450,000
Hard Cost – Horizontal & Open Space Estimate (a breakdown of park and recreation improvements located on City Property is attached as Exhibit I-1)	Prior Costs	Estimated New Costs	
GENERAL REQUIREMENTS		\$185,590	
EXISTING CONDITIONS		\$374,722	
EARTHWORK			
Earthwork		\$9,028,472	
Dewatering		\$50,000	
Erosion and Sedimentation Controls		\$622,999	
Earth Retention		\$833,168	
IMPROVEMENTS			
Water Features		\$1,552,151	
Payments & Surfaces	\$3,937,752	\$5,755,777	
Fencing		\$826,806	
Walls, Curbs and Stairs		\$2,490,865	
Landscaping Drains		\$105,042	
Decking Assemblies		\$27,760	
Furnishings		\$643,096	
Custom Furnishings and Elements		\$2,592,914	
Landscaping and irrigation	\$3,718,501	\$2,807,406	
Play Equipment and Dog Park Elements		\$894,025	
UTILITIES			
Utilities		\$567,800	
Water Utilities	\$804,000	\$426,358	
Sanitary Sewerage Utilities	\$1,909,500	\$179,975	
Storm Drainage Utilities		\$3,723,425	
Electrical Utilities		\$450,000	
Lighting		\$3,792,447	
SUBTOTAL	\$10,369,753	\$37,930,698	
General Conditions		\$1,879,407	
Contractor Contingency & Fee		\$3,184,808	
Subcontractor Default Insurance (SD)		\$436,203	
GL & Builder's Risk		\$608,036	
Owner Contingency		\$3,000,000	
HARD COST TOTAL	\$10,369,753	\$47,039,153	\$57,408,906
GRAND TOTAL ESTIMATE FOR EXISTING AND NEW IMPROVEMENTS			\$67,858,906