

Cottonwood Highlands Metropolitan District No. 1
c/o Mulhern MRE, Inc.
58 Inverness Drive East, Suite 100
Englewood, CO 80112
720-274-8377

March 13, 2026

Re: Exclusion of Properties overlapping Cottonwood Metropolitan District (CMD) and Cottonwood Highlands Metropolitan District No. 1 (CHMD#1)

Dear Cottonwood Highlands Metropolitan District No. 1 Resident,

This letter is a request from the board of directors for Cottonwood Highlands Metropolitan District No. 1 for signatures on a Petition for Exclusion of properties from the boundaries of Cottonwood Metropolitan District.

CHMD#1 is a special district that was formed in 2014 to finance, operate, and maintain park, landscaping, and open space improvements in the Dove Village, Alder Village and Lennar Paired Homes communities. The Cottonwood Metropolitan District is a separate special district that was formed in 1981 and is responsible for operating and maintaining parks, open space and landscaping improvements as well. CHMD#1 is entirely within CMD, which means CHMD#1 residents must pay property taxes to both districts. The boards of directors for CMD and CHMD#1 have agreed that CHMD#1 can exclude from CMD, which will eliminate the requirement for CHMD#1 taxpayers to pay taxes to CMD which are currently at the level of 8.100 mills. **Eliminating the taxes paid to CMD is estimated save the average CHMD#1 homeowner approximately \$340 per year.**

In addition, CHMD#1 is currently restricted by its Service Plan to assessing a maximum of 10 mills in taxes for operations of the District. In anticipation of the elimination of taxes paid to CMD due to the exclusion, CHMD#1 has asked the Town of Parker to increase that maximum to 18 mills. By increasing the CHMD#1's maximum mill levy to 18 mills, it will allow CHMD#1 to continue maintaining the community's parks, landscaping, and open space at a high level while keeping taxes below the current combined level of CHMD#1 and CMD. In the short term, CHMD#1 does not anticipate needing the full 18 mills to fund its services, but having the 18 mill cap will allow CHMD#1 the flexibility to increase its tax revenues if desired service levels increase over time.

To complete the exclusion, CHMD#1 must obtain signatures from 50% of the fee owners in CHMD#1. This is approximately 600 signatures. Representatives from CHMD#1 will be distributing a Petition for Exclusion within the community. If you are a fee owner, we ask that you review and sign the Petition for Exclusion when it is presented by CHMD#1's representatives. A copy of the Petition for Exclusion and maps of CHMD#1 and CMD are attached to this letter. CHMD#1's goal is to obtain the signatures by May 1, 2026 and try to remove the properties from CMD's tax rolls for 2027.

Please contact CHMD#1's Manager, Laurie Tatlock, at 720-274-8377 or laurie@mulhernmre.com to ask any questions that you may have, confirm that you are a fee owner, and arrange to sign in front of a Circulator that will certify your signature.

**PETITION FOR EXCLUSION
OF PROPERTY FROM
COTTONWOOD METROPOLITAN DISTRICT
Douglas County, Colorado**

We, the undersigned (“**Petitioners**”), constituting not less than fifty percent (50%) of the fee owners within the area proposed to be excluded from Cottonwood Metropolitan District, present this Petition for the Exclusion of Property (“**Petition**”), pursuant to and in accordance with Part 5 of Article 1 of Title 32, Colorado Revised Statutes, and in support of the Petition, the undersigned state as follows:

OVERVIEW

1. Petitioners hereby petition the District Court in and for Douglas County, Colorado (“**Court**”) to grant exclusion of the property described on **Exhibit A** attached hereto and incorporated herein (“**Property**”), from the boundaries of Cottonwood Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (“**Cottonwood Metro**”).
2. The Property consists of approximately 181.727 acres of land that includes residential lots, parks and open space, and streets and rights-of-way located within the Town of Parker, Colorado (“**Town**”) and Cottonwood Metro.
3. The Property is also located within the overlapping boundaries of Cottonwood Highlands Metropolitan District No. 1 (“**Cottonwood Highlands #1**”), the boundaries of which are coterminous with the Property.
4. Petitioners seek exclusion of the Property from Cottonwood Metro to eliminate double taxation and to facilitate enhanced provision of public services and facilities for the Property by Cottonwood Highlands #1.
5. Granting the Petition of Exclusion for the Property will (a) eliminate the overlapping of boundaries of Cottonwood Metro and Cottonwood Highlands #1 by removing the Property from the boundaries of Cottonwood Metro; (b) avoid double taxation of the Property by removing the Property from the taxing jurisdiction of Cottonwood Metro; and (c) facilitate the localized and cohesive operation and maintenance of landscaping, parks & recreation facilities and services within the Property by Cottonwood Highlands #1.

APPLICABLE LAW

6. The Court has jurisdiction over this matter pursuant to §§ 32-1-303 and 32-1-502, C.R.S. of the Special District Act.

7. The Legislative Declaration set forth in § 32-1-102(3), C.R.S. establishes the purpose of Part 5 of Article 1 of Title 32 is to eliminate overlapping services of local governments and double taxation. *See also City and County of Denver v. Board of Directors of Bancroft Fire Protection District*, 554 P.2d 714, 716 (holding that the exclusion process is “intended to facilitate the elimination of the overlapping of services provided by local governments and the double taxation which may occur” and further that the exclusion statute “should be liberally construed so as to accomplish that purpose.”).
8. Pursuant to § 32-1-502(2), C.R.S., upon filing of a petition for exclusion, the Court shall hold a hearing and order the territory described in the petition for exclusion, or any portion thereof, be excluded from the special district if the following three conditions are met:
 - a. The governing body of the applicable municipality agrees, by resolution, to provide the service provided by the special district to the area described in the petition for exclusion on and after the effective date of the exclusion order;
 - b. The service to be provided by the municipality will be the service provided by the special district in the territory described in the petition for exclusion; and
 - c. The governing body of the municipality and the board of the special district shall each submit a plan for the disposition of assets and continuation of services to all areas of the special district.
9. Pursuant to § 32-1-502(5)(a), C.R.S., the Court shall order an election on the exclusion if 10% or 100 of the eligible electors of the special district territory proposed for exclusion, whichever number is less, petition the Court for a special election to be held within the special district territory proposed for exclusion.
10. Pursuant to § 29-1-203(1), C.R.S., local governments are authorized to cooperate and contract with each other to provide any function, service, or facility lawfully authorized to each of the cooperating or contracting units of government.

COMPLIANCE WITH LAW

11. Pursuant to § 32-1-502(2)(a)-(b) and § 29-1-203(1), C.R.S., this Petition shall be filed with a resolution of the Town Council and an intergovernmental agreement that authorizes and obligates Cottonwood Highlands #1 to provide public services and facilities to the Property such that there will be no reduction in public services and facilities as a result of the exclusion of Property from Cottonwood Metro. All such obligations shall be solely the obligation of Cottonwood Highlands #1 and not the Town of Parker.

12. Pursuant to § 32-1-502(2)(c), C.R.S., this Petition shall be filed with a plan or plans from the Town and Cottonwood Metro for the disposition of any assets, if any, and continuation of services to all areas of Cottonwood Metro.

WHEREFORE, having satisfied the requirements of § 32-1-502, C.R.S. and upon there being no petition for an election filed with the Court by 10% or 100 of the eligible electors of the Property, the Petitioners hereby Petition this Court for Exclusion of the Property described in **Exhibit A** from the boundaries of the Cottonwood Metropolitan District.

FILED ON BEHALF OF THE PETITIONERS the ____ day of _____, 20__.

SETER, VANDER WALL & MIELKE, P.C.

Colin B. Mielke, Atty No. 41545
7400 E. Orchard Rd., Suite 3300
Greenwood Village, CO 80111
T: (303) 770-2700
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EXHIBIT A
Legal Description and Map of Property to be Excluded

Tract A, Cottonwood Subdivision Filing No. 11, – Recorded, Douglas County Clerk and Recorder’s Office on 09/26/1995 at Reception No. 199545423.

Cottonwood Highlands Filing No. 1A – Recorded, Douglas County Clerk and Recorder’s Office on 06/02/2015 at Reception No. 2015036067.

Cottonwood Highlands Filing No. 1B – Recorded, Douglas County Clerk and Recorder’s Office on 06/03/2015 at Reception No. 2015036446.

Cottonwood Highlands Filing No. 2A – Recorded, Douglas County Clerk and Recorder’s Office on 11/30/2016 at Reception No. 2016086746.

Cottonwood Highlands Filing No. 2B – Recorded, Douglas County Clerk and Recorder’s Office on 04/18/2017 at Reception No. 2017025886.

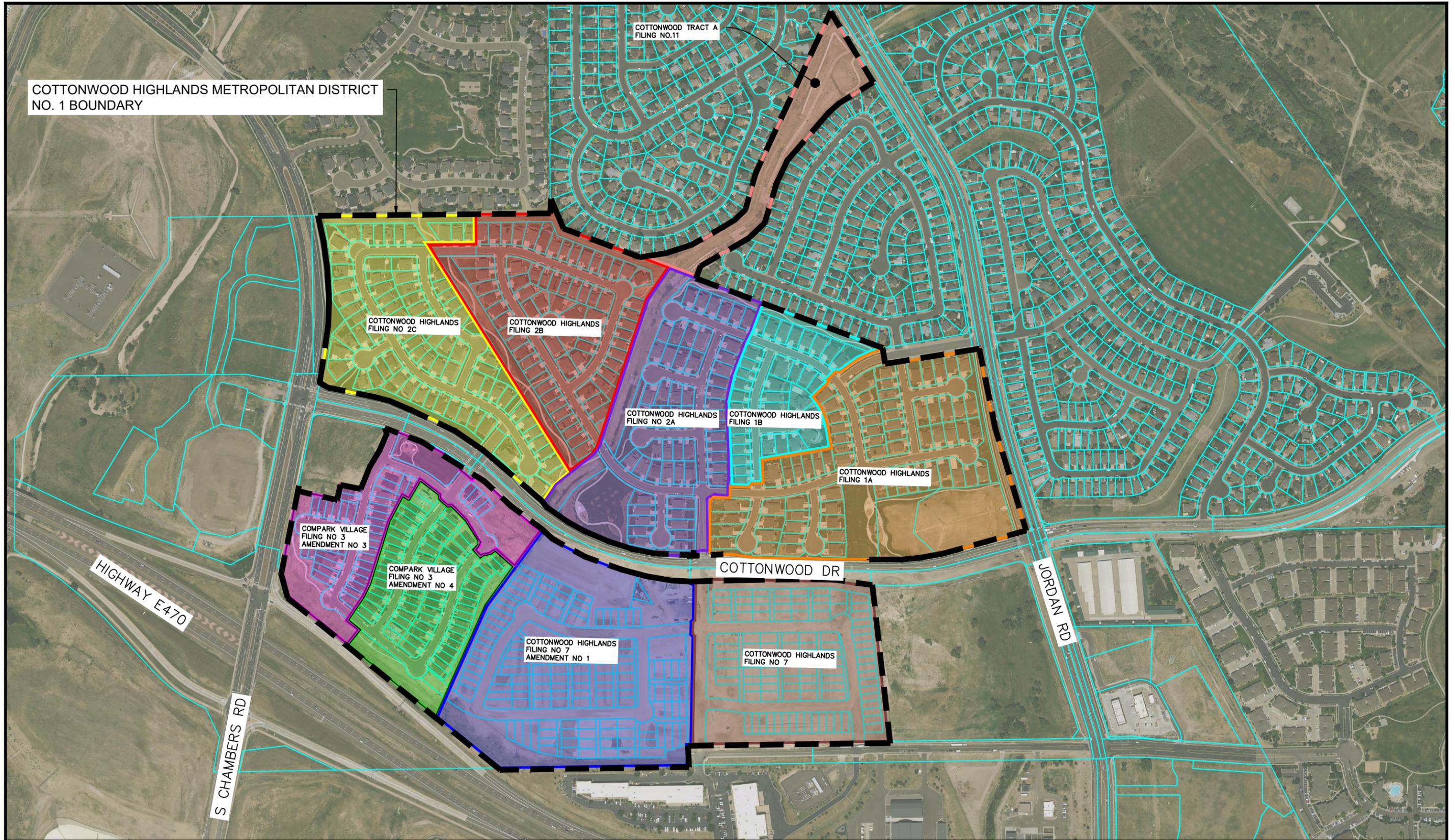
Cottonwood Highlands Filing No. 2C – Recorded, Douglas County Clerk and Recorder’s Office on 06/26/2017 at Reception No. 2017042978.

Compark Village Filing No. 3, Amendment No. 3 – Recorded, Douglas County Clerk and Recorder’s Office on 09/28/2017 at Reception No. 2017065891.

Compark Village Filing No. 3, Amendment No. 4 – Recorded, Douglas County Clerk and Recorder’s Office on 09/29/2017 at Reception No. 2017066067.

Cottonwood Highlands Filing No. 7 – Recorded, Douglas County Clerk and Recorder’s Office on 12/16/2020 at Reception No. 2020124611.

Cottonwood Highlands Filing No 7, Amendment No. 1 – Recorded, Douglas County Clerk and Recorder’s Office on 01/28/2021 at Reception No. 2021011597.



COTTONWOOD METROPOLITAN DISTRICT BOUNDARY

