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HIGHLANDS RANCH

DC00040793

**OPEN SPACE CONSERVATION AREA PLAN
(WILDCAT MOUNTAIN RESERVE)**

**Prepared by:
Highlands Ranch Community Association, Inc.
OSCA Committee
February, 1997**

**Revised:
May, 2000**

IN WITNESS WHEREOF, the parties have approved and are subject to the Open Space Conservation Plan, as of June 1, 2000

SHEA HOMES,
A California Limited
Partnership

COUNTY OF DOUGLAS, STATE
COLORADO, acting by and
through its Board of County
Commissioners

By Steve Ormiston
Assistant Secretary

By Walter Maxwell
County Commissioner

By [Signature]
Assistant Secretary

SAND CREEK CATTLE COMPANY, A
Colorado Corporation:

ATTEST:

By Steve Ormiston
Assistant Secretary

By Judy Crenshaw
Clerk and Recorder of
Douglas County

ATTEST:
By [Signature]
Assistant Secretary

HIGHLANDS RANCH COMMUNITY
ASSOCIATION, INC., a Colorado
Nonprofit corporation

By [Signature]
President

ATTEST:
By: Debra C. Lydie
Secretary

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this
7 day
Of JUNE, 2000 by STEVE ORMISTON as Colorado
Division
Ass't Secy President and JEFFREY KAPPES as Assistant Secretary of
SHEA HOMES, a California Limited Partnership.

Witness my hand and official seal.
My commission expires: 4-10-03
Constance Salvatore
Notary Public



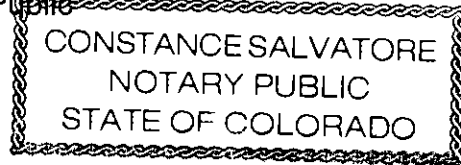
STATE OF COLORADO)
)
COUNTY OF DOUGLAS) ss.

The foregoing instrument was acknowledged before me this
7 day of JUNE, 2000 by
STEVE ORMISTON as Assistant Secretary and
JEFFREY RAPPES as Assistant Secretary of
SAND CREEK CATTLE COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: 4-10-03

Constance Salvatore
Notary Public



STATE OF COLORADO)
)
COUNTY OF DOUGLAS) ss.

The foregoing instrument was acknowledged before me this
12th day
Of June, 2000 by Debra Kendle as Secretary
of
HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC., A Colorado nonprofit
corporation.

Witness my hand and official seal.

My commission expires: 1/24/02

Regina Zick
Notary Public

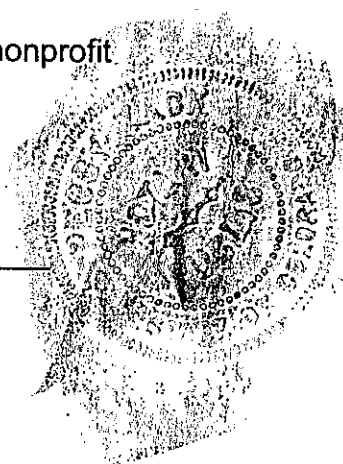


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INTRODUCTION

On May 24, 1988, the Board of Douglas County Commissioners approved a Rezoning of Highlands Ranch creating an 8200 acre Open Space Conservation Area in the southern portion of the property (see Exhibit A). As part of the Rezoning, the Highlands Ranch Development Guide was amended to include the following requirement:

"D. Uses Permitted by Right in the Open Space Conservation Area.

1. Uses Permitted by Article V of the Conservation Easement (Highlands Ranch) to be amended per Open Space Conservation Agreement and Plan.

No development, issuance of building permits, construction, grading or removal of earthen material is permitted within the Open Space Conservation Area until:

an Open Space Conservation Area Plan has been submitted for review and the Board of County Commissioners has approved said Plan. That Plan will provide direction in determining appropriate land uses for this area as well as which specific areas of these nonurban lands are to remain as open space, which are necessary for support of wildlife, which are suitable for the construction of necessary public facilities, and the type of and location for specific land uses, and public and private recreation facilities including parks, trails and commercial recreation facilities.

Exempted from these restrictions are the public utility facilities such as wells, pump stations, and waterlines, and the electrical transmission lines and roads necessary to serve these facilities and other similar uses as may be allowed by the approval of the Planning Director and any other uses required for continued ranching.

Once Open Space Conservation Area Plan has been approved by Douglas County, the Development Guide is to be amended to establish acceptable Uses by Right and by Special Review. After that amendment is complete, the restriction stated above would be removed."

Open space is defined as public or private land and aquatic areas which are acquired, regulated or managed to protect the natural environment and significant cultural resources; provide recreation and agricultural opportunities.

Public facilities are defined as facilities to provide for public uses including, but not limited to governmental offices, public utilities, fire stations, police stations, schools, libraries and public parks.

Commercial recreation is defined as a commercial use characterized by the provision of recreational facilities and services for remuneration, such as theaters, bowling alleys, tennis courts, recreation centers, and similar uses.

In satisfaction of this requirement, this Open Space Conservation Area Plan provides direction in determining appropriate land uses for OSCA and defines general locations for these uses. This Plan has been reviewed and approved by the Board of Directors of the Highlands Ranch Community Association, Inc., and is hereby submitted to the Douglas County Board of Commissioners for approval. The Highlands Ranch Development Guide will hereby be amended to establish Uses by Right and Uses by Special Review within OSCA as identified in this Plan.

On November 15, 1988, an Open Space Conservation Agreement was executed by Highlands Ranch Community Association, Inc., Douglas County, Mission Viejo Company and Sand Creek Cattle Company which establishes parameters for the conveyance of the Open Space Conservation Area to Highlands Ranch Community Association, Inc. and which establishes permitted interim incidental uses and provides that up to 1,200 acres of the 8200-acre Open Space Conservation Area may be used for active recreation and public facilities as defined in a County approved OSCA Plan. A copy of this Agreement is included in the Appendix. The Highlands Ranch Development Guide and the Open Space Conservation Agreement form the foundation on which this Plan builds.

In March 1989, the Development Review Committee of the Highlands Ranch Community Association began a planning process that culminated in this Plan. During the planning process, the Development Review Committee created the OSCA Committee to focus on the preparation of this Plan. The Committee conducted regular workshops to review available data, to map areas suitable for various land uses, and to verify that mapping in the field with site visits. Representatives of Douglas County Planning, Douglas County Parks and Open Space, Highlands Ranch Metropolitan District, Colorado Open Lands, area residents, and the Colorado Division of Wildlife were involved throughout this planning process and their valuable guidance is appreciated.

On April 20, 1993, the Board of Directors of the Highlands Ranch Community Association approved the OSCA Plan. In preparation for submittal of this plan to Douglas County, the OSCA Plan has been reviewed and updated in 1996 to include the latest information and current planning concepts for OSCA.

The Open Space Conservation Area Plan was prepared starting with an environmental analysis of the land to allow the land to "tell" us how it would best be used. The identification and mapping of environmental conditions differentiated areas suitable for categories of use. Chapter 1 contains the goals and policies and Chapter 2 contains permitted uses and development standards. It is our intent that this Plan be reviewed and adopted by Douglas County to act as a guide for future development in OSCA. It is the goal of this Committee that history and wildlife considerations play a major role in the decision made on how this property is to be used.




HIGHLANDS RANCH
 Planned Community District
 Development Plan
 Zoning Map -
 As Amended Exhibit A
 Amendment No. 34

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA
 EXHIBIT A

OSCA VISION STATEMENT

The 8200-acre Open Space Conservation Area (OSCA) located in the southern portion of Highlands Ranch is to be conveyed to the Highlands Ranch Community Association, Inc. and other entities, for the purpose of owning and administering those lands for use in perpetuity as open space, for recreation purposes, public facilities, wildlife management and habitat enhancement.

This Plan will provide direction in determining appropriate land uses for OSCA, as well as which specific areas are to remain open space, which are necessary for support and management of wildlife, which are suitable for habitat enhancement, which are suitable for development of public facilities, and the type of and location for specific land uses and public and private recreation and educational facilities including parks, trails and commercial recreation facilities.

OSCA represents an opportunity for Highlands Ranch residents and for the general public to experience a significant open area that is managed to maintain quality open space that balances the desires of people with the needs of wildlife and natural habitat. HRCA, in administering these lands, will attempt to do so at no cost to Highlands Ranch residents, using revenues generated from OSCA itself to offset operational costs.

This nonurban area contributes to the identity of Highlands Ranch as a community on the edge of the Denver metro area at the gateway to open land offering spectacular views of the Front Range, pine-covered hills, unusual rock outcroppings and buttes, grasslands and meadows, all providing valuable wildlife management opportunities and opportunities for habitat enhancement.

OSCA is an integral part of the Development Plan for Highlands Ranch, a Plan designed to carefully accommodate growth and economic development within an identifiable community while preserving much of the natural beauty, openness and environmental qualities of the land.

No plan is forever. Both our natural resources and our society are dynamic and subject to change and our planning process reflects this. When conditions and problems change enough, new planning with public participation will begin.

CHAPTER 1 – GOALS AND POLICIES

General Goals

1. OSCA land should be made available in the future for recreational and educational uses.
2. Establish reasonable use programming (through professional study to determine capacities) in order to prevent environmental damage, e.g., number of users, day versus overnight use, etc. Give priority access to Highlands Ranch residents and their guests; overnight use will be limited to designated areas with a limited number of users.
3. Utilize the revenue to HRCA from the use of 1200 acres to financially support the management of OSCA and/or any other purposes deemed appropriate by the HRCA Board of Directors that benefit the community.
4. Consider joint venture developments in order to generate more significant revenue.
5. Planning in OSCA should conform with and be integrated into local, county and state plans to preserve wildlife and its habitat.
6. Work with other agencies to assure compatibility and integration with adjacent park land and open space.
7. When planning uses in OSCA, consider compatibility with adjacent land uses, buffers, accessibility and wildlife impact.
8. Plan and manage OSCA to minimize impact upon natural systems, wildlife, historic sites, and other landscape features.
9. Protect sensitive open space lands, wetlands and other valuable assets such as dominant ridgelines, cultural resources, the best wildlife habitat areas, rock outcroppings, and highly visible bluffs.
10. Integrate land use plans with wildlife management considerations, including water, native plant species and other habitat area preservation practices.
11. Consider wildlife and native vegetation in the planning and site design for developed areas.
12. Consider establishing an IRS 501- (C) -(3) designation that will allow for the application of funding for the management of OSCA.
13. This Plan recognizes the important historical nature of Daniels Park Road and shall accommodate any historical landmark status granted and attendant identification and interpretive signage or monumentations.
14. This Plan recognizes the important historical nature of the Griggs/Lafayette and Douglas Pasture ranch buildings and shall accommodate any historical landmark status granted and attendant identification and interpretive signage or monumentation.

NATURAL ENVIRONMENT

A. TOPOGRAPHY

The Open Space Conservation Area has an elevation of 6,550 at its highest point located at Daniels Park Road, and has an elevation of 5,700 at its lowest point west of the polo field.

The Open Space Conservation Area consists of eight drainage basins, six unnamed drainages trend east to west within the western two-thirds of the property and the other two drainages, Big Dry Creek and Happy Canyon, trend south to north (see Exhibit D). The dominant ridgeline follows Daniels Park Road (see Exhibit G). Prominent sandstone outcroppings exist in the Daniels Park area at Wildcat Mountain and northwest of the Joint Law Enforcement Training Facility.

1. Topographic Constraints

Certain uses proposed for the Open Space Conservation Area may require large or relatively large expanses of gently sloping land (0-15%). To determine where those areas exist a topographic base map has been used to create a slope map (see Exhibit B) depicting areas with predominantly 0-15%, and areas over 15% slope.

Policies

1. Conform to the natural terrain as much as possible and minimize landform alteration.
2. Extensive landform alteration should be minimized and development sensitively designed in areas that are highly visible, contain rock outcroppings or major stands of Ponderosa pine trees (see Exhibit G).
3. Consider areas with slopes of 15% or less as candidates for the 1200 acres.
4. Eliminate rockfall hazard areas from consideration for developed areas or permanent structures.



LEGEND

SLOPE CLASSIFICATION

- 0-7%
- 8-15%
- 16-%

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

SLOPE MAP
EXHIBIT B

B. GEOLOGY AND SOILS

1. Composite Geology and Soils Constraints

a. Geologic Setting

The Open Space Conservation Area lies near the southwestern edge of the Denver Basin, a sediment-filled area extending from Colorado Springs north to Greeley, and from the foothills eastward approximately 60 miles onto the plains. The Denver and Dawson Formations directly underlie the property. These formations dip very gently to the east within the area. No areas of natural slope instability were discovered. No faults or landslide areas are visible.

Bedrock and Surficial Units: According to consulting geotechnical and materials engineers, CTL/Thompson, Inc., the Open Space Conservation Area consists primarily of three different geologic compositions.

Expansive surficial soils underlain by expansive bedrock: This area, located in the western and northeastern portions of the Open Space Conservation Area contains expansive surficial soils of sandy clay and clayey sand are underlain by expansive claystone bedrock. Some nonexpansive sandstone lenses and layers may be found randomly within the bedrock.

Expansive surficial soils underlain by nonexpansive bedrock: The majority of the Open Space Conservation Area has a thin top layer of clayey sand with low to moderate expansion potential. Bedrock is primarily a poorly cemented sandstone with interlayered conglomerate and claystone. This area is more susceptible to erosion than the northern portion of the property.

Nonexpansive soils: Within these areas are deposits of nonexpansive sands and gravels. Alluvial sand deposits, adjacent to drainages vary in depth and tend to be less than ten feet thick. These areas are underlain by both sandstone and claystone.

Expansive materials on-site are typical of those found throughout the Denver area.

CTL/Thompson, Inc. has concluded that the Open Space Conservation Area is geologically feasible for development. However, expansive soils, typical to the Denver region, may require engineered foundations and floor system designs for structures.

Policy

Structures constructed in areas with expansive soils should include engineered foundations and floor system designs based on the recommendations of a soils engineer.

b. Mineral Rights

All mineral interests are owned by Union Pacific Land Resources (UPLR) except the United States reserved coal in the southwest quarter of Section 30, T6S, R67W, and the State of Colorado reserved all minerals, ore, metals, coal, asphaltum, oil and gas and other like substances in Section 36, T6S, R67W. Highlands Ranch Development Corporation controls the latter under a Long Term All Minerals Lease expiring on March 3, 2020.

Rights of Owners of Mineral Interests: The general rule is that the owner of any reserved or severed mineral interests has the right to use the surface of the land affected to the extent necessary to extract and remove the reserved or severed minerals. Apart from this general rule of law, all of the instruments by which mineral interests were reserved or severed underlying Highlands Ranch contained express language providing for a right of ingress or egress to mine and remove minerals or a right to use the surface for the development of minerals.

The Development Guide for Highlands Ranch, as amended on May 5, 1981, permits exploration for and extraction of mineral resources in the Open Space Conservation Area of Highlands Ranch subject to use by special review and site development plan requirements.

Douglas County has recently adopted a county-wide Mineral Extraction Plan which sets forth further regulations on mineral extracting activities including restoration of the land.

Valuation: The value of mineral interests cannot normally be established by customary appraisal techniques unless the minerals are "proven" and the nature and extent of the minerals are established by actual mining or drilling. Geologists and mining engineers can give opinions on the likelihood of mineral deposits existing, but beyond this, the existence and value of potential mineral deposits can be established only by expensive core or other drilling or actual mining.

However, it appears expensive core drilling is unnecessary in this instance and in fact, would not be wise. In 1980, written reports were obtained from the Colorado School of Mines Research Institute. Those reports showed surface deposits of sand, clay and gravel, which deposits are not, under Colorado law, deemed covered by normal mineral reservations, and showed possible thin seams of coal reflected in logs of water wells at over 1,000 feet, the development of which would be, under current economic circumstances, uneconomical.

Policy

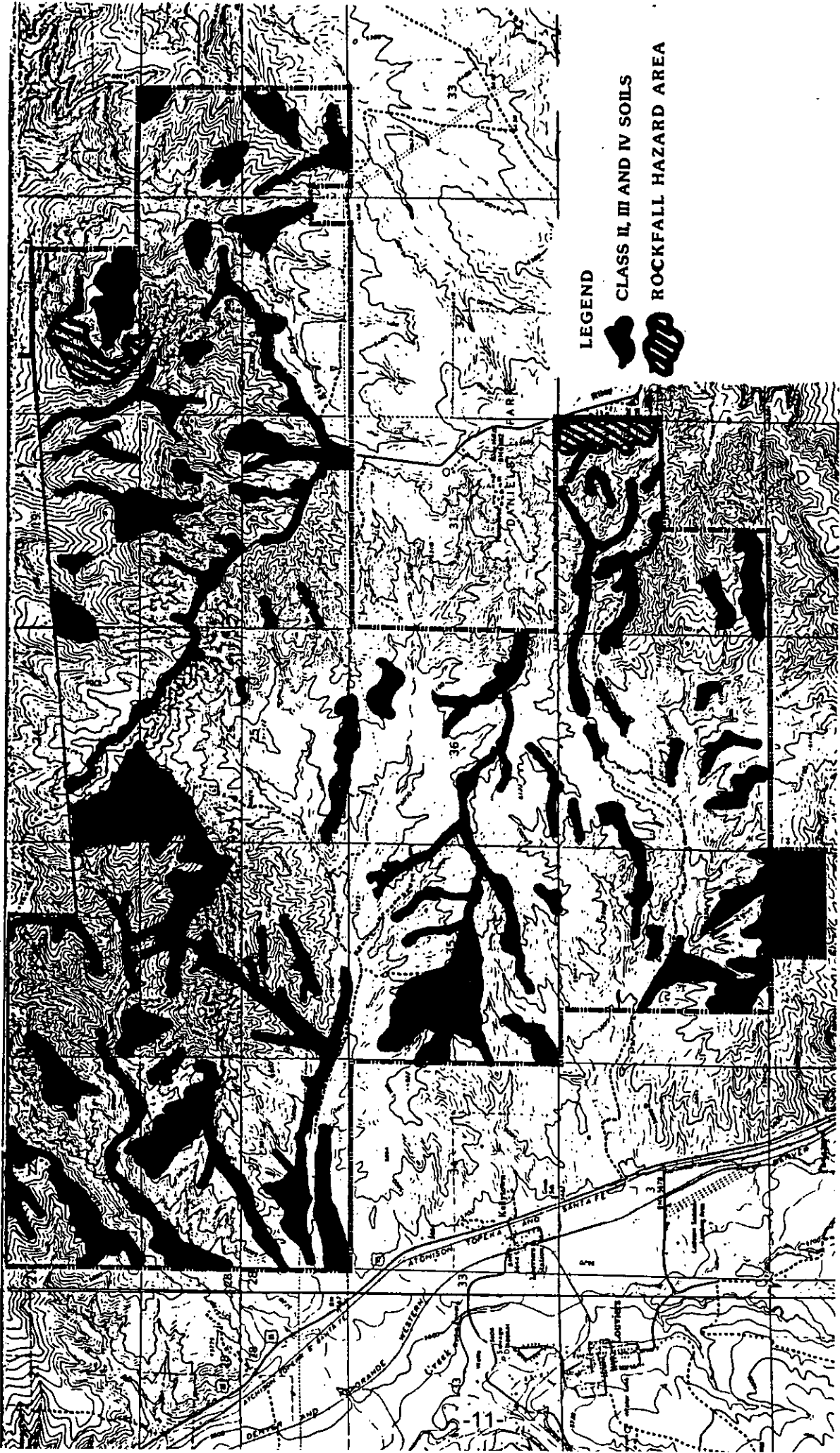
Adhere to Douglas County Mineral Extraction Plan concerning mineral extracting policies, including mitigation measures if and when a need for such a use arises.

c. Agricultural Suitability

The main agricultural enterprises of Douglas County are the raising of feeder cattle; the breeding of purebred cattle, thoroughbred horses and quarter horses; and dairying. Consequently, the County's main agricultural crops are forage crops for on-site use: oats, silage corn, alfalfa, grass hay, and a limited amount of barley and sorghum.

Historically, the land comprising Highlands Ranch has been used for raising cattle and forage crops including oats, barley and grass hay. In the past, wheat was also cultivated, but the practice has been discontinued due to increasingly poor yields.

A total of 32 soil types exist within the boundaries of Highlands Ranch. These soil types are inventoried according to the USDA classification system (Soil Survey of Highlands Ranch Addition, Golden Soil Survey, USDA-Soil Conservation Service, 1978). These capability classes and subclasses show, in a general way, the suitability of soils for most kinds of field crops. The grouping does not take into account major landform changes, reclamation projects or management practices. The soils classifications are designated by Roman numerals I through VIII. The numerals indicate progressively greater limitations and narrower choices for practical use.



LEGEND

CLASS II, III AND IV SOILS

ROCKFALL HAZARD AREA

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

AGRICULTURAL SUITABILITY EXHIBIT C

There are no Class I, V or VIII soils within the Open Space Conservation Area and only small areas of Class II, III and IV soils. Classes I through IV are considered by the Soil Conservation Service to be the only economically cultivatable soils. With special conservation practices, it would be possible to cultivate these soils with wheat, barley, silage corn, alfalfa, or grass hay. Water availability, however, is the main determining factor for locating agriculture.

Exhibit C depicts areas with Class II, III and IV soils which exhibit moderate to severe limitations for cultivation. The remaining areas are unsuitable for cultivation.

Policy

If agriculture is deemed appropriate, it should be in areas with Class II-IV soils and where adequate water is available.

2. Rockfall and Seismic Hazard

Exhibit C depicts rockfall hazard areas delineated by the geologic consultant CTL/Thompson. The rockfall hazard areas include land which contains accumulated boulders from past rockfall occurrences. The two areas identified occur beneath the steep slopes of Wildcat Mountain and beneath Daniels Park.

Highlands Ranch lies within a Zone 1 or low risk seismic area according to the Colorado Geological Survey. No faults have been mapped on the property by the State Geologic Survey, nor were any discovered during CTL/Thompson's survey of the area.

Policy

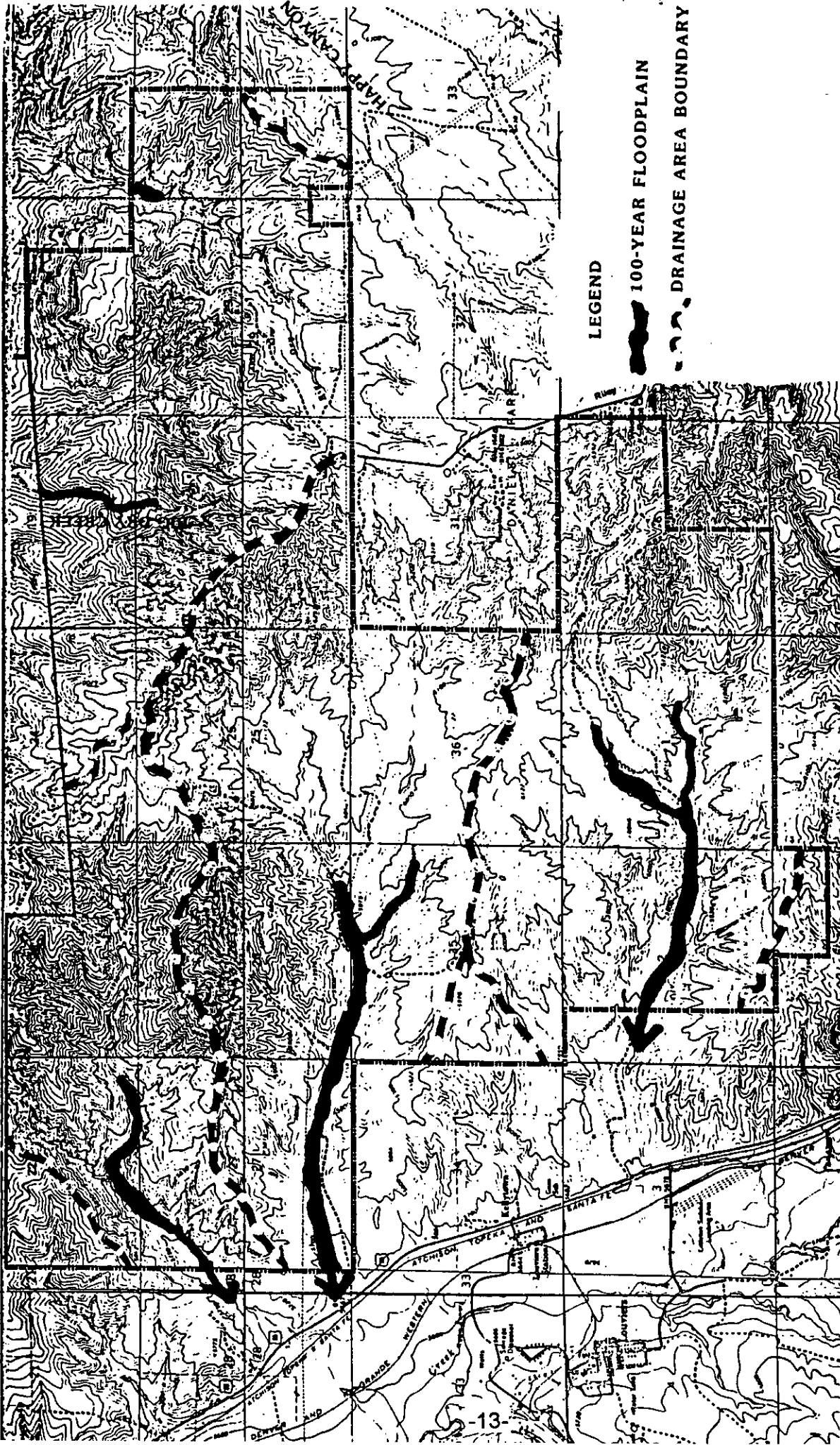
Rockfall hazard areas should be eliminated from consideration for developed areas or permanent structures.

C. HYDROLOGIC

1. Floodplains

The Open Space Conservation Area contains eight drainage basins, six unnamed drainages trending east to west within the western two-thirds of the property, and the other two drainages, Big Dry Creek and Happy Canyon, trending south to north. The dominant ridgeline follows Daniels Park Road.

Exhibit D depicts the 100-year Floodplain for each drainage basin based on studies prepared using Urban Drainage and Flood Control District criteria.



LEGEND

100-YEAR FLOODPLAIN

DRAINAGE AREA BOUNDARY

EXISTING DRAINAGE
EXHIBIT D

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

Policies

1. Areas subject to 100-year frequency floods are suitable for a variety of recreational and agricultural uses, however the placement of permanent structures in these areas should be avoided. Assure that other floodplain guidelines are followed. Incorporate flood considerations into the planning and design of pedestrian systems.
2. Maintain and preserve existing flows, natural water systems, and surrounding riparian systems.
3. Where practical, in the design and development of any facilities, utilize water conservation practices such as xeriscape, detention or retention systems, and the reuse of water for irrigation purposes.
4. Consider the siting of open water bodies such as open reservoirs as they may complement proposed recreational uses.

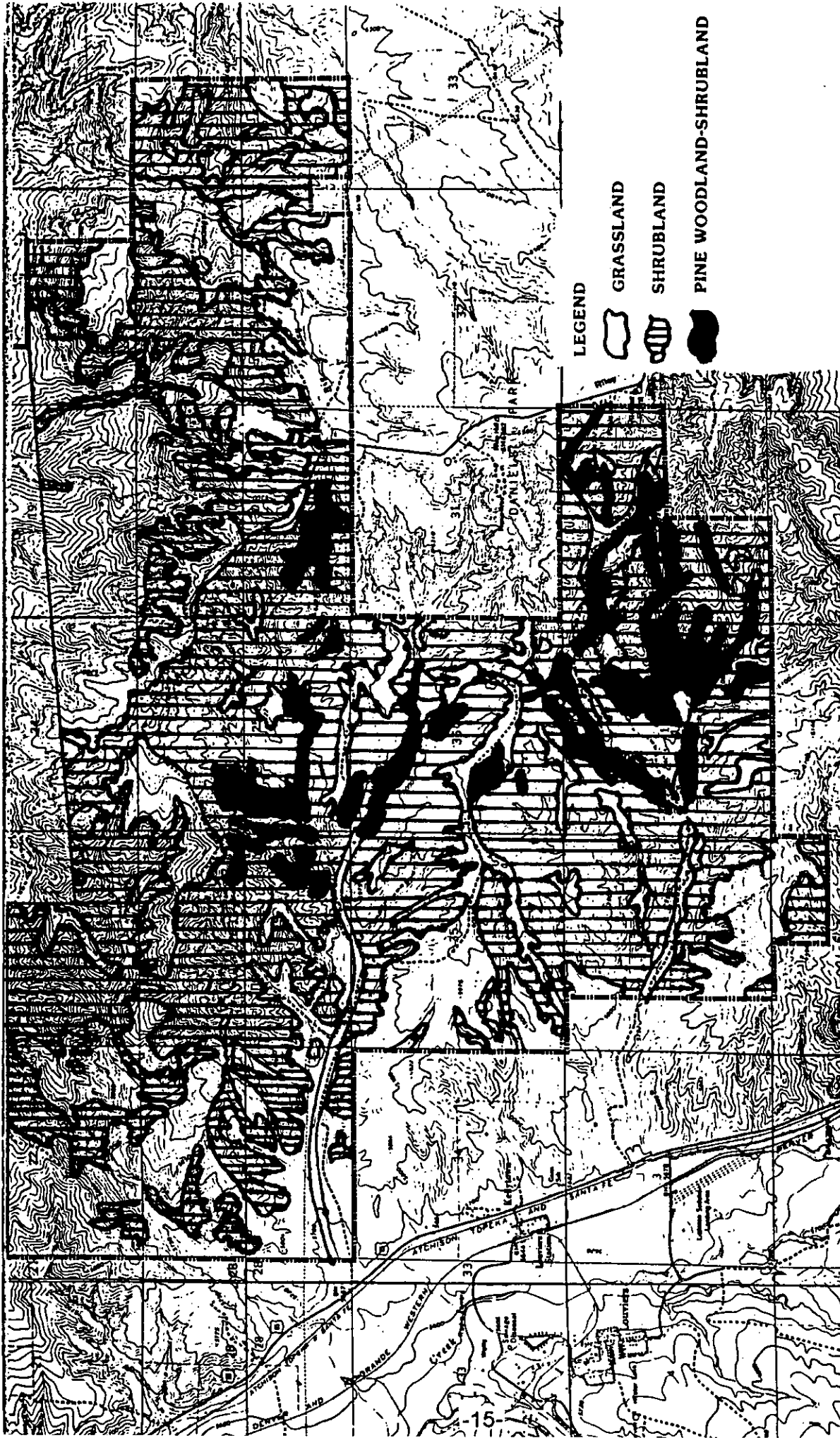
2. Wildlife Water

Exhibit K depicts existing natural springs which may be suitable for wildlife use. Cisterns fed by windmill and pump driven wells are also shown. These are currently part of the ranching operation.

Check dams collecting natural runoff is another method of creating watering areas for wildlife if desired.

Policy

Consider the introduction of ponds or reservoirs that may benefit wildlife as they may enhance the overall wildlife carrying capacity of the land while maintaining the upper population limits set.



**VEGETATION
EXHIBIT E**

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

D. VEGETATION AND WILDLIFE

1. Vegetation

A survey of vegetation on Highlands Ranch was conducted by Ecology Consultants in April 1978. Vegetation types were first mapped by the interpretation of aerial photographs, which were then taken to the field to ground-truth the designated vegetation types. Ground-truth points were selected which would provide information for most of the study area, and dominant vegetation was recorded at each ground-truth site and corrections made to the aerial photo overlay. Three plant communities were identified and mapped for the Open Space Conservation Area: grassland, shrubland and pine woodland-shrubland (see Exhibit E).

Grassland: The grassland plant community covers the northern portion of the Open Space Conservation Area. Smaller areas also occur in the gentle slope regions among shrub and tree communities in the southern portion of the property. The dominant species is blue grama, which occurs over the entire property and constitutes nearly 80% of the cover on all sites. The presence of such species as yucca, broom snakewood, rubber rabbitbrush, and prickly pear cactus in the grassland area are indicators of intensive livestock grazing.

Shrubland: The shrubland community occurs on upland areas in the Open Space Conservation Area. Shrub thickets predominate along the bottoms and sides of drainages, with dominant species being Gambel oak and mountain mahogany. Oak stands vary in heights from four feet in dry sites to nearly twenty feet on moist bottomland sites. Scattered patches of mountain mahogany and three-leaf sumac are found on drier exposed sites, ranging from two to five feet in height; while wild plum and hawthorn form dense thickets along moist drainage bottoms and range from five to ten feet tall.

Pine Woodland-Shrubland: The pine woodland-shrubland plant community occurs at higher elevations. It is characterized by scattered mature Ponderosa pine trees that range in height from twenty to forty-two feet. Canopy cover for trees is estimated at 10% to 30% within the areas mapped. Thickets of Gambel oak and grassy openings constitute the understory of the pines. Shrub species composition is the same as the described for the shrubland. This plant community shows evidence of intensive use by livestock, especially in clearings among the shrubs and pines.

Rare Plant Species and Habitats: The vegetation types identified within the study area are common in the Front Range-High Plains region. The most potentially interesting habitats for unusual plants are seeps and marshes below springs, and damp places along intermittent streams. Damp areas examined during the field survey have been disturbed by livestock, and have been extensively invaded by alien plant species.

Policies

1. Care should be taken to keep the impact on native plants to a minimum by excluding the most sensitive native plant areas from developed areas.
2. Care should be given to keep the impact on wildlife, its habitat and native plants to a minimum by excluding the 1200 acres from the most sensitive of these wildlife areas.
3. The landowner should work with agencies and organizations such as the Colorado Division of Wildlife to ensure that provisions are made for the preservation of wildlife habitat.
4. Where practical, development sites with new plantings should include native plant species indigenous to the site, e.g., blue grama grass, Gambel oak, mountain mahogany, and Ponderosa pine.
5. Where possible, reclaim disturbed land with native plant species.
6. Open space areas used for wildlife habitat preservation should be connected with contiguous wildlife habitats to provide wildlife with access to varying habitats to meet the needs of species during their life cycle. The placement of land uses that could create a human disturbance should be avoided adjacent to wooded areas as such disturbance greatly reduces their value as a habitat. Woodland areas should also be preserved due to the diversity of wildlife they support.
7. The use and management of OSCA should respond to the Douglas County Integrated Weed Management Manual.

2. Wildlife

A survey of wildlife on Highlands Ranch was conducted in April 1978 by Ecology Consultants using on-site reconnaissance, literature review and conversations with Colorado Division of Wildlife and ranch personnel. On-site reconnaissance involved walking qualitative transects of each habitat type.

Wildlife found on Highlands Ranch is a mixture of species typically associated with the grassland community which is common to the north and east of the property with species commonly found in the foothills

shrubland community to the south and west of the property. The property also contains species that extend their range from coniferous forest communities, which occur to the west on the eastern slope of the mountains. Large mammals found include pronghorn, coyote, mule deer, whitetail deer, mountain lion, and elk. Raptor observations of note include redtailed hawk and golden eagle. Small mammals present include cottontail, jack rabbit, chipmunk, squirrel, prairie dog, porcupine, skunk, raccoon, and badger.

Habitats present within the Open Space Conservation Area are grassland, shrubland and pine woodland-shrubland (see Exhibit E).

Value of Vegetation to Livestock and Wildlife: Several grass species such as blue grama, prairie sand reed and western wheatgrass provide good food value for grazing animals, such as elk, cattle and horses. Cattle also browse mountain mahogany. Mule deer favor species such as wood rose and mountain mahogany and are less dependent on herbaceous species. Pronghorn antelope favor certain forbs (fringed sagewort, Louisiana sagewort) and also use some grass and shrub species. Gamebirds, non-gamebirds and small mammal groups utilize grass species and the fruits of several shrub species as major portions of their diets. All three groups utilize Ponderosa pine seeds when they are available.

Cover values are generally related to the size of the animal. Large mammals, such as mule deer, require large shrubs such as Gambel oak and hawthorn. Pronghorn occupy open areas and do not require shrub cover. Small animals utilize the taller grasses and most shrub species.

Suitable redtailed hawk and golden eagle habitat exists in the southern portion of the Open Space Conservation Area.

Survey of deer and elk populations within OSCA were conducted under the supervision of Jeff Rucks of the Colorado Division of Wildlife for three consecutive years beginning in 1989. These surveys establish a baseline data base for understanding changes in these populations in the future.

The Open Space Conservation Area is within the viable home range for peregrine falcon, an endangered bird species.

Historically, there have been reports of sightings at Highlands Ranch of sharp-tailed grouse, an endangered species. Surveys conducted in 1978, 1979 and 1991, however, found no evidence the sharp-tailed grouse at Highlands Ranch. The Colorado Division of Wildlife may be allowed to continue to look for sharp-tailed grouse within OSCA only with permission from the property owner(s).

Policies

1. Significant wildlife habitats should be preserved wherever possible in the Open Space Conservation Area.
2. As recommended by the Colorado Division of Wildlife, the following guidelines should be considered:
 - (1) Prairie dog populations should be managed.
 - (2) Snags (dead trees) should be retained wherever possible to serve as habitats to a variety of birds that are cavity nesters as long as they do not pose a threat to human activities.
 - (3) Ponderosa pine trees should be preserved wherever possible to provide an important canopy habitat.
 - (4) Proposed trails should be sited to minimize disturbance to wildlife.
 - (5) A plan which includes an implementation program should be established by the Colorado Division of Wildlife to educate community residents about wildlife that occurs in the Open Space Conservation Area so the residents will know how to respond in the event of conflicts between wildlife and human activities.
3. Riparian habitat areas should be preserved.
4. Historic sharp-tailed grouse habitat in the Open Space Conservation Area should be protected and enhanced when found to be compatible with other uses.

3. Wildlife Management

Wildlife management can be defined as the act of producing sustained annual crops of wildlife to achieve human goals, whether for recreation, aesthetic and environmental enhancement, economic or scientific values, or conservation of an endangered species. Management of wildlife should involve a balanced program to maintain conditions that provide wildlife with basic needs including food, cover, water, and space in which to live and reproduce while monitoring wildlife populations to ensure the health of each species. Wildlife populations at times may exceed the carrying capacity of the habitat or may be in conflict with human activities and, therefore, upper limits should be set and wildlife populations managed so as not to exceed the limits set. In the event wildlife populations pose a threat to human health, appropriate actions should be taken.

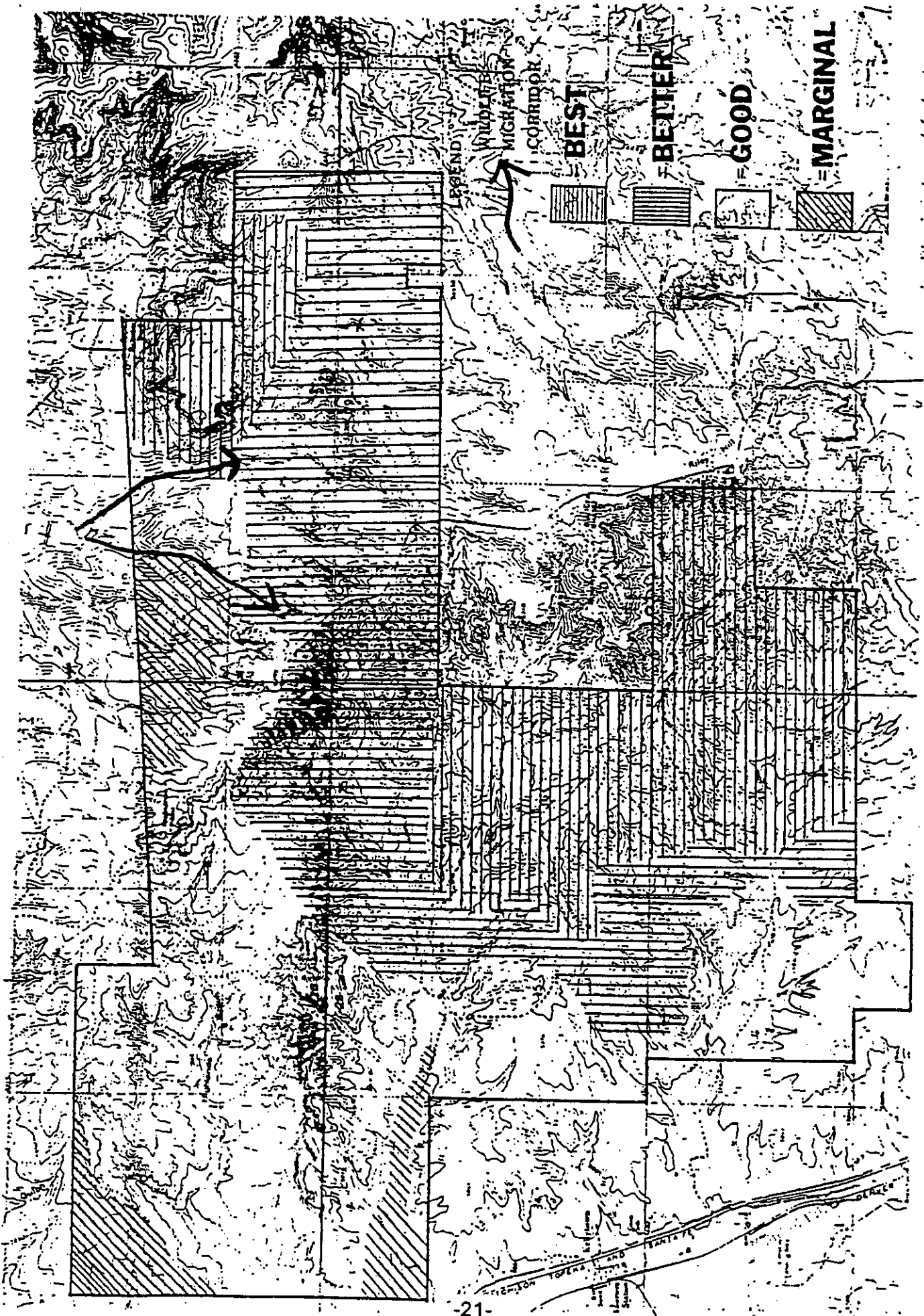
The Colorado Division of Wildlife has prepared a map of the Open Space Conservation Area that identifies marginal to best wildlife habitat value areas (see Exhibit F). This map was used as one of the primary bases for defining land use suitability.

Procedure for Integrating Wildlife Considerations into Site Design include:

- Step 1- Identify habitats and their relative value.
- Step 2- Identify food plants important to wildlife.
- Step 3- Analyze adjacent land use.
- Step 4- Identify site and regional species that could be present within habitat proper.
- Step 5- Identify limiting factors for species of concern.
- Step 6- Determine amount of open space necessary.
- Step 7- Determine and monitor relative density of key species and set upper limits.
- Step 8- Plan the open space system.
- Step 9- Integrate wildlife provisions into conceptual and preliminary design.
- Step 10- Review design.

Policies

1. Care should be given to keep the impact on wildlife, its habitat and native plants to a minimum by excluding the 1200 acres from the most sensitive of these wildlife areas.
2. The landowner should work with agencies and organizations such as the Colorado Division of Wildlife to ensure that provisions are made for the preservation of wildlife habitat.
3. Pets are prohibited in wildlife sensitive areas in OSCA due to the potential of negatively impacting wildlife.
4. Feeding wildlife should be prohibited within the OSCA.
5. Maintain existing wildlife corridors as shown on Exhibit F by limiting development to not less than 100 feet from the center line of such corridors.
6. Connect open space areas used for wildlife habitat preservation with contiguous wildlife habitats to provide wildlife with access to varying habitats to meet the needs of species during their life cycle.
7. Consider adjacent ranch land as opportunities for adding wildlife habitat preservation areas beyond OSCA.
8. Facilities in OSCA should be bear-proofed.
9. Manage wildlife population limits and establish programs to avoid exceeding these limits.



WILDLIFE HABITAT VALUE AREAS
EXHIBIT F

4. Wildfire Hazard

A wildfire hazard area is a wild land area where the combination of fuels, topography and weather create a threat to property. The vegetation and wildlife map shows plant communities (see Exhibit E).

The following is a discussion of the wildfire potential of plant communities found within the Open Space Conservation Area:

Grassland - Low Hazard: Fire can spread rapidly in dry grass, particularly if accompanied by wind, but it usually can be controlled quickly.

Grasslands have a low hazard potential and may act as a natural fuel break between more severe fire hazard areas.

Pine Woodland-Shrubland - Medium Hazard: The density and structure of the understory and forest vegetation are usually such that fire can spread rapidly and develop high intensities in Ponderosa pine forests. Since the ecosystem typically occupies dry sites, conditions for fire spread are present for much of the year.

Shrubland - Severe Hazard: This ecosystem has considerable wildfire potential. The hazard is directly related to shrub density and height. Brush over four feet high which would spread a fire at a rate of 600 to 800 chains (66 feet = 1 chain) per hour on the average worst summer day (i.e., 24 mph winds, 85 to 89 degree temperatures and humidity below 20%) is considered a severe hazard.

The following is a list derived from suggested wildfire safety guidelines for subdivisions and developments, prepared by the Colorado State Forest Service:

- (1) **Slope:** Fire spread rates increase with ground slope. Due to this natural uphill phenomena, structures should be restricted from vegetated hillsides that exceed 30% in slope over the length of the proposed development hillside. Fires can be fast-spreading, hot and difficult to control on steep slopes.
- (2) **Hazardous Fire Areas:** Lands containing "fire chimneys", heavy fuels or other hazardous wildfire components should not be developed until such time as the hazard can be overcome through fuel modification.
- (3) **Fuel Breaks:** Practical fuel break systems involving clearing vegetation should be installed as needed in strategic fire defense locations on lands dedicated, or having easements, for such purposes. Fuel breaks should be integrated with trail systems whenever possible.

- (4) Fuel Modifications: Areas that have high fire hazard ratings, which can be reduced to lower hazard ratings through thinning, grouping or other such fuel modification; should be so modified before buildings are constructed on the lot.
- (5) Fire Fighting Water Supplies: A satisfactory source of water for fire fighting purposes should be available at each building site.

Policy

Integrate into development plans suggested wildfire safety guidelines for subdivisions and development, prepared by the Colorado State Forest Service. Coordinate with local fire fighting agencies.

E. SCENIC RESOURCES

1. Scenic Areas

The natural and manmade features within the Open Space Conservation Area have been evaluated in terms of their dominance, uniqueness, habitat value, quality, visual amenity, and historic significance. The more significant scenic resources include:

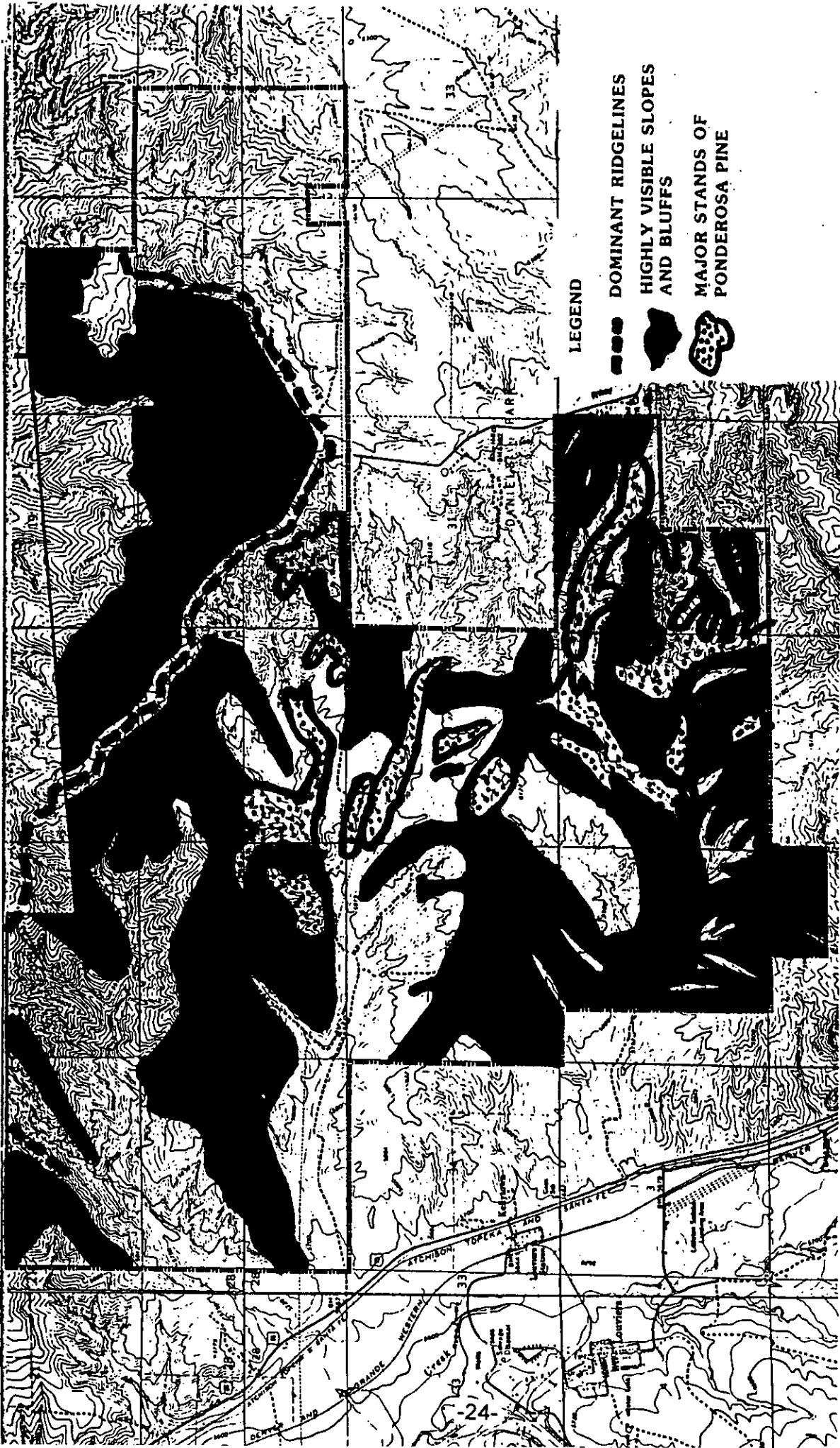
- dominant ridge lines
- highly visible slopes and bluffs
- rock outcroppings on Wildcat Mountain, near the Joint Law Enforcement Training Facility and near Wildcat Point in Daniels Park
- major stands of Ponderosa pine
- scrub oak color in fall
- historic structures

These sites are identified on Exhibit G.

A view analysis was prepared involving the selection of five external view sites which characterize the views of the property from surrounding residential areas. Then, with the aid of cross sections, the slope and bluff areas visible from the external vantage points were mapped. Selected vantage points include: Roxborough Road, Flying Bee Ranch, The Highlands, McArthur Ranch, and Cherokee Ranch. Exhibit G is a composite of all significant slope and bluff areas indicated by the five view analyses.

Policies

1. Maintain vistas of the Front Range Mountains.
2. Minimize development on dominant ridgelines.



**SCENIC RESOURCES
EXHIBIT G**

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

CULTURAL ENVIRONMENT

A. HISTORIC SITES

1. Historic Sites

There is evidence of use of the present Highlands Ranch property by indigenous people for approximately 7000 years to the present. In 1898 John W. Springer began consolidating smaller ranches on the present ranch site and became the largest local landowner, with total holdings of more than 23,000 acres. The property was next acquired by Waite Phillips, of Phillips Petroleum, who held it from 1920 to 1926. Phillips sold out to Frank Kistler, who created a cattle breeding ranch called the Diamond K. Due to financial difficulties, the property was sold in 1937 to Lawrence C. Phipps, Jr. The estate was then sold in 1978 to Highland Venturers, a group of Denver businessmen, who in turn sold the property to Mission Viejo Company in 1979.

The Douglas Pasture Ranch, located in the southern part of OSCA, is estimated to have been built beginning in about 1899. The site includes a house, barn, silo, bunkhouse, chicken house, cistern and windmill.

The Lafayette Grigs Ranch, located in the northeastern part of OSCA, is estimated to have been built beginning in 1883. The site includes a ranch house, outbuilding, shed, and corral.

Mission Viejo Company has taken steps to stabilize and secure these properties.

Policies

1. Incorporate existing historic sites and buildings as a component of the OSCA Plan.
2. Incorporate cultural/educational use opportunities as a component to the OSCA Plan.
3. Involve Douglas County Historical Board and Highlands Ranch Historic Society in planning for historic sites in OSCA.

B. ARCHAEOLOGICAL SITES

1. Archaeological Sites

Highlands Ranch has been surveyed for archaeological sites by the consulting archaeologist, Western Cultural Resources Management, Inc. Numerous archaeological sites were surveyed, mapped and recorded. No map is included in this report in order to protect these resources from unauthorized collection. These sites represent aboriginal occupation of the area from Early Archaic to Early Historic times – a period of approximately 7,000 years. Three general categories of settlements were identified during the survey: (1) quarry sites, (2) open camp sites, and (3) limited activity sites.

The quarry site atop Wildcat Mountain is of importance in understanding the prehistory of the Highlands Ranch area. Prehistoric peoples made use of the abundant agatized wood deposits for stone tool manufacture.

There are four primary clusters of sites: two clusters along the dominant ridge of the property, one atop Wildcat Mountain, and one is on the ridge west of that area. Access to the quarry seems to be their primary locational determinant.

One other geographical cluster of sites is of a different character. This cluster is located in the southeastern portion of Open Space Conservation Area near Daniels Park. This site utilized the vegetation zones which means that they were probably used for hunting large game that require more extensive vegetative cover.

None of the data collected during the survey is unique to Highlands Ranch.

Policies

1. All development at significant archaeological sites in OSCA should be preceded by salvaging the significant cultural resources. Significant archaeological sites should be used for legitimate academic or institutional activity. The Tall Bull Memorial Council will be consulted for proper disposition of significant artifacts.
2. Significant archaeological site clusters, if developed, should be salvaged or not used for intensive human activity.

C. LAND USE

Goals

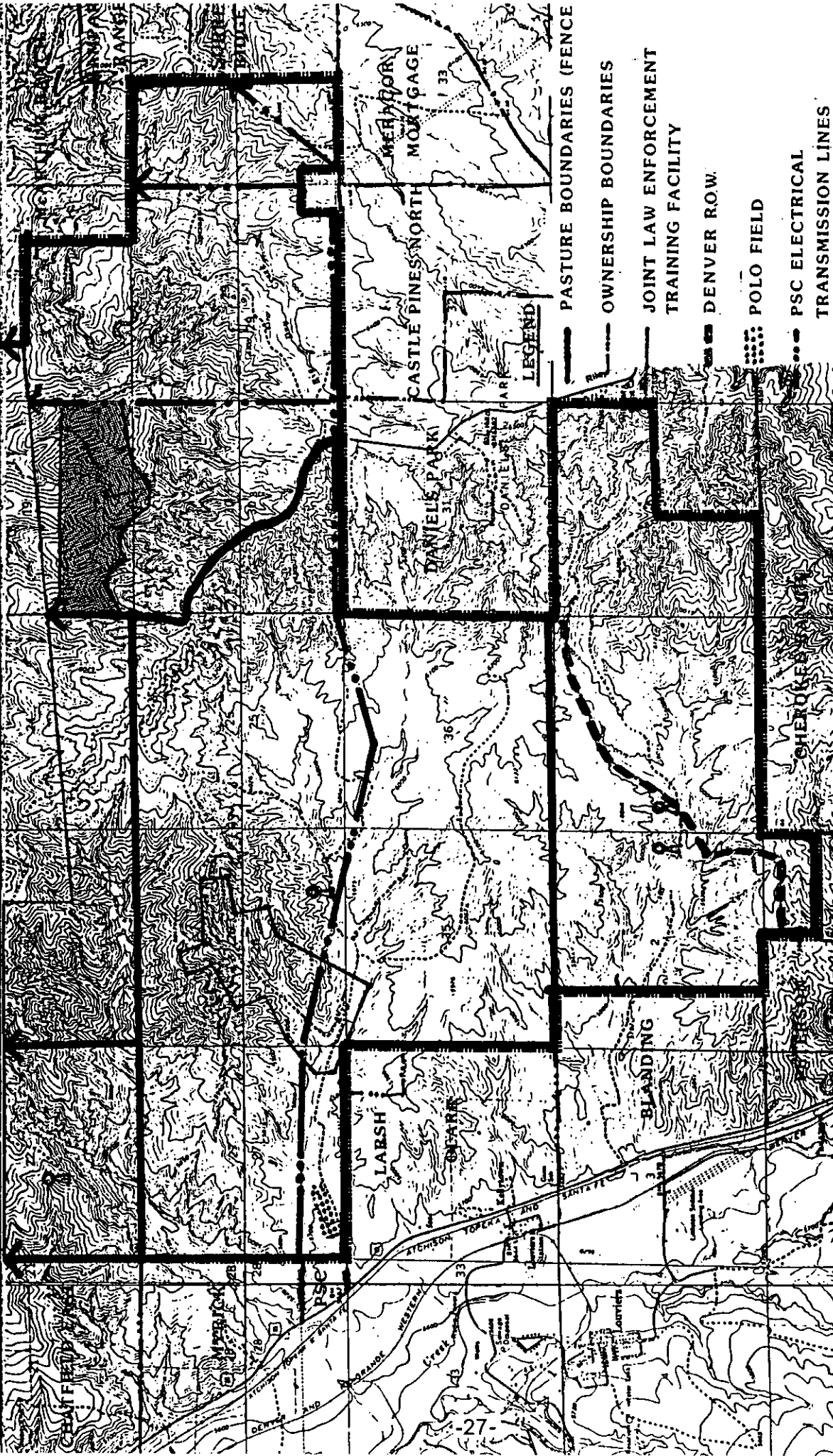
1. Proposed land uses must be compatible with long range community and county goals, and compatible with contiguous land uses.

HIGHLANDS RANCH

EAST RANCH

TOWER PASTURE

POLLACK PASTURE



- PASTURE BOUNDARIES (FENCE)
- - - OWNERSHIP BOUNDARIES
- JOINT LAW ENFORCEMENT TRAINING FACILITY
- DENVER ROW
- POLO FIELD
- PSC ELECTRICAL TRANSMISSION LINES
- ⊙ WINDMILL
- PROPOSED 202-AC REGIONAL PARK EXPANSION AREA
- ▨ EXISTING LAND USE

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

EXHIBIT H

2. The best proposed use will be that which best satisfies and addresses the OSCA Plan; is capable of implementation; and provides the maximum benefits with the least cost involved.
3. The County may secure necessary rights for regional parks, regional trails and open lands within OSCA through dedication, donations, land exchanges, purchase agreements and other means as may become available. Passive park uses should be sited or located on the portions of the park that border the most environmentally sensitive areas.
4. Consider the open land policies of the Douglas County Parks, Trails and Open Lands Master Plan in evaluating proposals for development.
5. Select a use which is inherently sensitive to the land and environment, and whose day-to-day operation is integrated with the preservation of the land and environment. Incorporate existing land uses (cattle ranching, law enforcement training facility, polo field, utilities, and surrounding uses) into the development plan with sensitivity given to potential impact, both positive and negative.
6. In the design of any facility, accommodate all user groups including those physically challenged and the elderly by complying with Americans with Disabilities Act requirements.
7. Utilize a uniform sign program for all facilities and trails, historical and visual resources, and other locations where directional, informational or safety-related signs are necessary.

1. Land Use

- a. Cattle Ranching

The predominant current use of the Open Space Conservation Area is cattle ranching. The property includes two pastures and portions of three pastures. There are no areas within these pastures such as natural features like Wildcat Mountain restricted from grazing other than utility facilities and the Law Enforcement Training facility.

Policies

1. Upon transfer of the land to the HRCA, the cattle operation may be phased out on the land conveyed if it is proven to be uneconomical or incompatible with wildlife.
2. Upon transfer of the land to the HRCA, consider continued cattle ranch use as it impacts other policies, e.g., preserve integrity of grazing land holdings unless they adversely effect wildlife sustainability, especially in riparian areas and historic sharp tailed grouse habitat.

b. Law Enforcement Training Facility

The next largest current use of the Open Space Conservation Area is the 125-acre Joint Law Enforcement Training facility. This facility contains firing ranges, buildings used for firing range management and tactical training, a caretaker residence, and dormitories for trainees under a long-term lease. This lease will run until 2007 and, unless amended or terminated per the terms of the lease, shall be automatically renewed for 20 year consecutive terms.

Policy

1. Allow continued use of Joint Law Enforcement Training facility. Any expansion of the site or its use may be reviewed and commented on by the HRCA Development Review Committee and the HRCA Board of Directors and be subject to review by Douglas County.

c. Polo Field

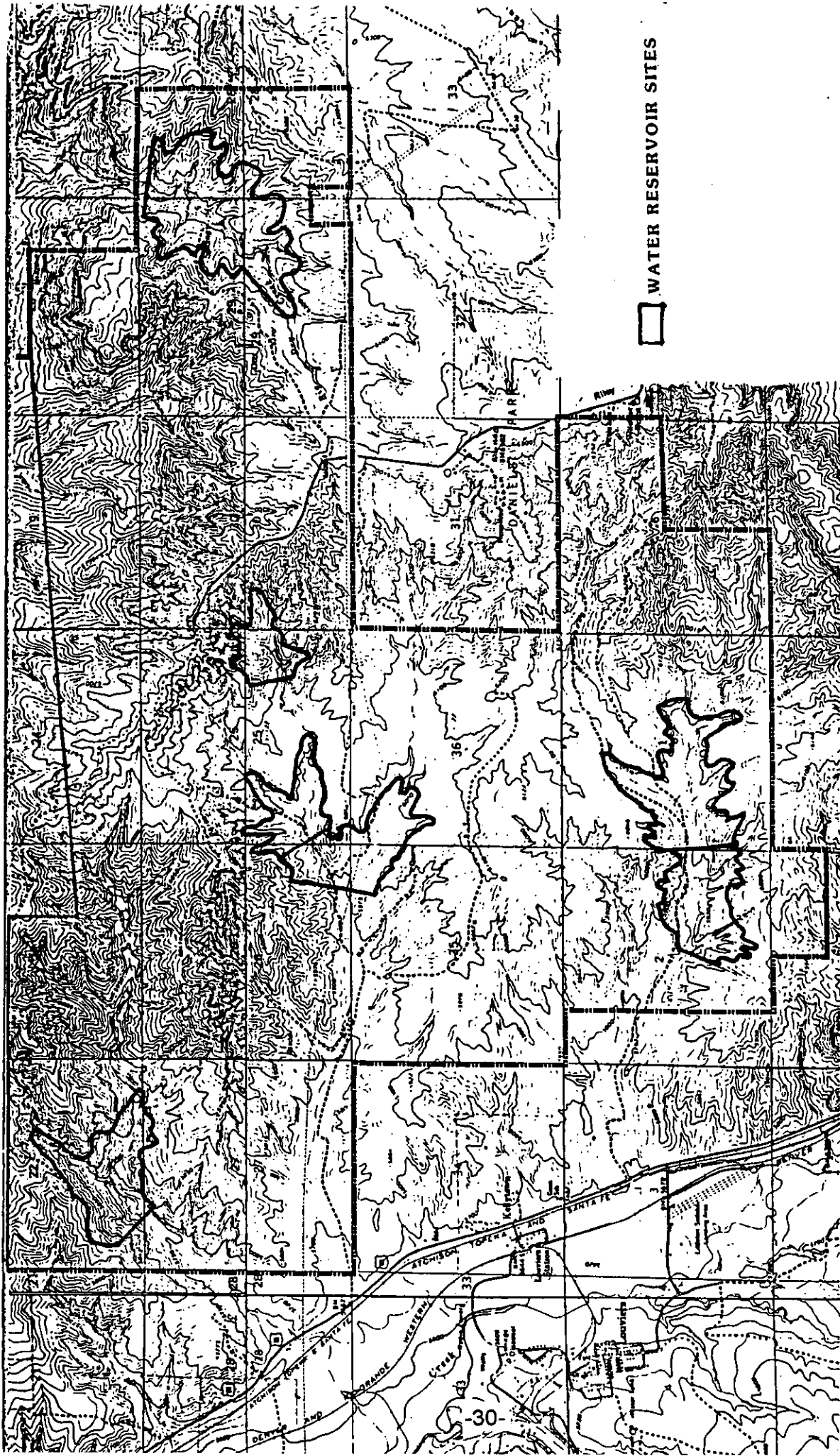
A 9-acre field area planted with bluegrass and irrigated with well water exists west of the Joint Law Enforcement Training facility. Sand Creek Cattle Company has permitted this field to be used annually for several years for various events.

d. Utilities

Public Service Company has erected electrical transmission towers and lines that extend across the Open Space Conservation Area (see Exhibit H). Public Service Company has constructed a north-south transmission line as shown on Exhibit K to serve a planned electrical substation to the north of the property. Highlands Ranch Community Association will work with Public Service Company to sensitively site new electrical transmission towers whenever possible in the Open Space Conservation Area. Centennial Water and Sanitation District has wells, pump stations and water transmission lines existing in the Open Space Conservation Area. Centennial Water and Sanitation District has plans to build additional such facilities as depicted on Exhibit K.

e. Recreation

HRCA, Douglas County and Highlands Ranch Metropolitan Districts are entities responsible for park and recreation development for the community of Highlands Ranch. As such, the policies and planning of these organizations may affect and be affected by the uses of the Open Space Conservation Area, particularly in the northern section. Every effort will be made to coordinate with Douglas County and Highlands Ranch Metropolitan Districts when planning the Open Space



HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

WATER RESERVOIR SITES
EXHIBIT I

Conservation Area. Douglas County is planning a 202-acre expansion of Highlands Heritage Park within the northeast portion of OSCA (see Exhibit H and Wildcat Regional Park Agreement in Appendix)

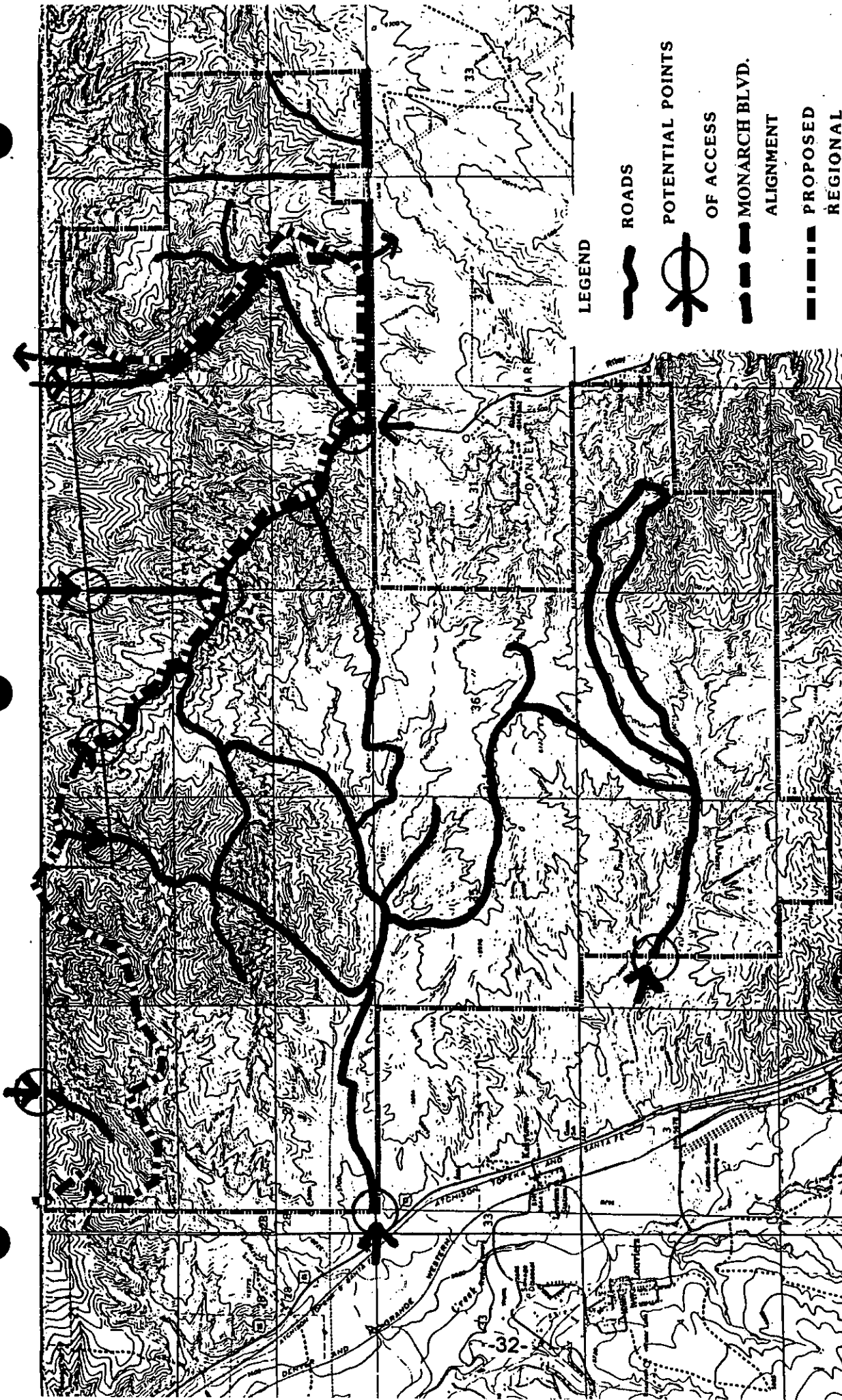
The City and County of Denver owns a 100-foot wide right-of-way through the southern portion of OSCA. No decisions have been made to date concerning use of the right-of-way.

f. Water Storage Reservoirs

Several open reservoir sites have been approved by the state engineer's office in the form of conditional water rights as depicted on Exhibit I. While there are no plans in the foreseeable future to develop any of these sites, the existence of state approval for these sites would make them better candidates for development than other locations. Any such reservoir development would involve local review and state engineer approval.

Policies

1. Integrate recreation strategies of HRCA, Douglas County, Highlands Ranch Metropolitan Districts, and other local and county planning and park authorities and establish a coordinated plan for implementation. Integrate physical, programmatic and management plans of the Open Space Conservation Area with current and future operation (long range plans) of Daniels Park.
2. Consider Douglas County standards contained in Parks, Trails and Open Lands Master Plan, an element of the Douglas County Master Plan, Douglas County plans for a 202-acre park expansion of Highland Heritage Park, Highlands Ranch Metropolitan Districts standards contained in The Park at Highlands Ranch Master Plan, and the Highlands Ranch Regional Trail Plan in determining potential park acreages and programmatic facilities and activities for park land developed in the Open Space Conservation Area. Examine and modify use of standards, if necessary, to assure specific user needs are met adequately.
3. Consider Douglas County and Highlands Ranch Metropolitan Districts trail standards or guidelines contained in the Douglas County Parks and Trails Master Plan and The Park at Highlands Ranch Master Plan when developing trail standards and design guidelines for the Open Space Conservation area and integrate trail alignments with those master plans when applicable. Preserve the integrity of management controls over access to park land.



**CIRCULATION
EXHIBIT J**

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

4. Where practical, provide on-road bicycle trails for any paved roads in the Open Space Conservation Area; utilize Douglas County guidelines for on-road bicycle trails. Design and construct parks and trail facilities to accommodate all segments of society, regardless of physical ability per the requirements of the American Disabilities Act. Trail design and alignments should conform to contemporary design standards to address erosion, user safety, impact on wildlife, and scenic resources.

2. Surrounding Existing and Proposed Land Uses

On page 34 there is a list of property owners surrounding the Open Space Conservation Area, the current use of each property and planned use based on current zoning. These parcels are also shown on Exhibit H.

Policy

Consider the mutual compatibility of land uses proposed within OSCA and uses both existing and proposed in areas surrounding OSCA.

D. CIRCULATION

1. Accessibility

Exhibit J depicts existing points of access to the Open Space Conservation Area and existing roads traversing the Area that may be suitable for road and trail alignments.

Surrounding development presents opportunities and constraints for the use of OSCA. Adjacent residential areas and the mountain park (Daniels Park) place environmental pressure on OSCA as adjacent residents trespass to walk dogs or ride horses across the property. Domesticated pets form packs which injure cattle and wildlife. Trespassers who picnic with fires present a potential trash and wildlife problem.

The Douglas County Master Plan shows Monarch Blvd. extending through the northeast portion of OSCA as shown on Exhibit J. This roadway is scheduled to be constructed in 2000.

Policies

1. Adequate provisions should be made to secure the property. Access to OSCA should be limited and controlled with the property patrolled to ensure compliance.

Subdivisi
or Property
Name

Property
Owner

Contact
Person

Approximate
Size of
Parcel (Acres)

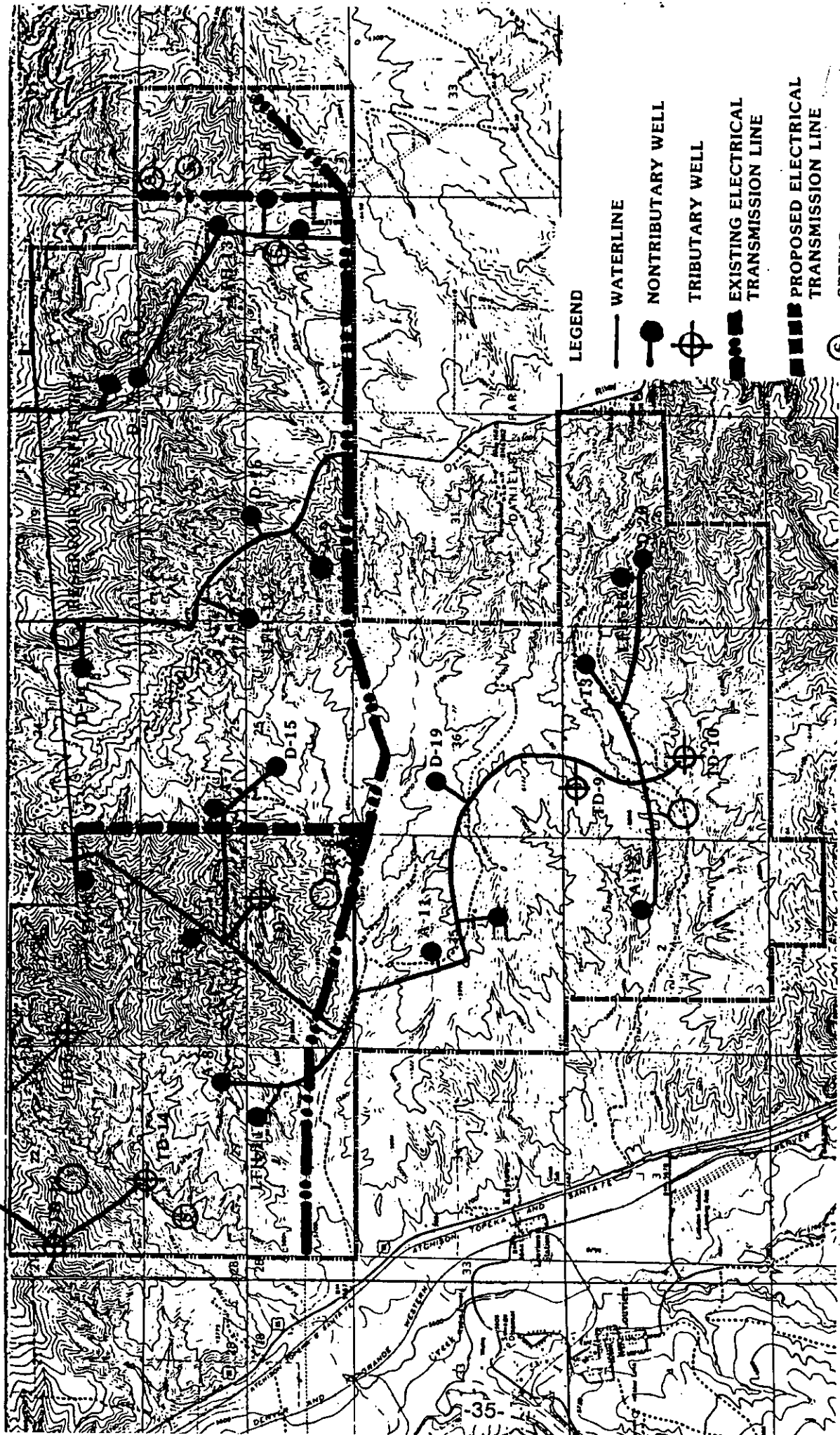
Parcel (Acres)

Zoning

Current
Use

Planned
Use

Subdivisi or Property Name	Property Owner	Contact Person	Approximate Size of Parcel (Acres)	Parcel (Acres)	Zoning	Current Use	Planned Use
Highlands Ranch	Mission Viejo Co.	Jerry Poston 791-8180	13,237 (excludes 8200 AC OSCA)		Planned Dev. Monurban	Vacant Ranch Land	Ranching Monurban Uses
McArthur Ranch	Multiple Owners	McArthur Ranch MOA-Joseph Plizga 1416 W. Finn. Ave. Littleton, CO 80124 781-6369	820		Rural Residential	Large Lot Residential	Large Lot Residential
Respart Range	Multiple Owners	?	3500		Planned Development	Vacant	Planned Development
Surrey Ridge	Multiple Owners	Surrey Ridge Estates MOA	100		Suburban Residential	Large Lot Residential	Large Lot Residential
.....	Meracor Mortgage	?	320		Agriculture	Vacant	Planned Dev. (Not Yet submitted)
Castle Pines North	Castle Pines Land Company/Multiple Owners	Castle Pines North Association Bob Sanderman 482 Happy Canyon Rd. Castle Rock, CO 80104	?		Planned Development	Residential	Planned Development
Daniels Park	City and County of Denver	Don Etter Denver Parks 458-4810	1000		Agriculture	Mountain Park	Park
Castle Pines Cherokee Ranch	Jack Vickers III Tweet Kimball	Jack Vickers III Tweet Kimball	280 3500		Agriculture Agriculture	vacant Wildlife reserve/ranch	unknown Cattle Ranch/ wildlife reserve
.....	Henry	Henry	160		Agriculture	vacant	unknown
.....	Peterson	Peterson	180		Agriculture	vacant	unknown
.....	Standing	Standing	480		Rural Residential	vacant	unknown
.....	Clark	Clark	28		Rural Residential	vacant	unknown
.....	Larsh	Larsh	40		Rural Residential	Residential	unknown
.....	Public Service Co.	?	70		Rural Residential	Residential	unknown
.....	Myrick	Myrick	?		Agriculture	vacant	unknown
Chatfield East	Multiple Owners	?	240		Rural Residential	Large Lot Residential	Large Lot Residential



LEGEND

— WATERLINE

● NONTRIBUTARY WELL

⊕ TRIBUTARY WELL

--- EXISTING ELECTRICAL TRANSMISSION LINE

— PROPOSED ELECTRICAL TRANSMISSION LINE

⊙ S SPRING

○ CISTERN

**INFRASTRUCTURE
EXHIBIT K**

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

2. Discourage auto use with the exception of maintenance and emergency vehicles; encourage alternative forms of non-motorized circulation within the site; equestrian traffic, pedestrians and bicycles will be allowed in designated areas.
3. Establish reasonable use programming (through professional study to determine capacities) in order to prevent environmental damage, e.g., number of users, day versus overnight use, etc. Give priority access to Highlands Ranch residents and their guests; overnight use will be limited to designated areas with a limited number of users.
4. Utilize existing circulation systems as much as possible. Locate site access points where existing roads suggest connections. Direct trail links should be made from Highlands Ranch trails to OSCA including the regional trail depicted on the Highlands Ranch Regional Trail Plan. Should Douglas County propose to realign the alignment of the regional trail through OSCA, Shea Homes and HRCA will cooperate with Douglas County in defining an alignment acceptable to all three parties.

E. INFRASTRUCTURE

1. Utility Service Availability and Constraints

Exhibit K shows existing and proposed infrastructure of utility service availability and constraints. Within the Open Space Conservation Area, Centennial Water and Sanitation District has proposed a well field consisting of 26 Arapahoe, Denver and Laramie Fox Hills formation wells with associated distribution lines, the vast majority of which have been drilled. These wells either have or will need overhead power lines, as well as access roadways to provide for the maintenance and operation of the facilities.

Public Service Company has erected electrical transmission towers and lines that extend across the Open Space Conservation Area as shown on Exhibits H and K. Public Service Company has constructed a north-south transmission line as shown on Exhibit K to serve an electrical substation to the north of the Open Space Conservation Area.

All easements contained in the Open Space Conservation Area carry restrictions on access and the construction and maintenance of facilities within the easement. Certain easements carry additional requirements as follows:

- (1) **Public Service Company:** In most instances, Public Service Company calls for control of all vegetation in its easement, no structures, wells or signs to be erected, and no objects to be placed in the easement that will interfere with their facilities.

Other easements call for nothing to be constructed, and nothing to be planted but grass. One easement, however, reserves the use of the easement to the grantor for roads, agriculture, yard area, or any other purpose other than structures that would not interfere with Public Service Company's facilities.

- (2) **Willows Water District:** WWD restricts landscaping to grass and prohibits construction on their easements without prior approval.
- (3) **Mountain States Telephone and Telegraph (U.S. West Communications):** Mountain States Telephone and Telegraph calls for the right to control all vegetation and obstruction on the surface or subsurface of the easement.

Policies

1. Coordinate planning of specific use(s) with the Centennial Water and Sanitation District to assure economic provision of water and sewer service.
2. Follow requirements and restrictions on access, construction and maintenance of facilities within easements as dictated by the Public Service Company, Willows Water District, Centennial Water and Sanitation District, and Mountain States Telephone and Telegraph.
3. Land use planning for the Open Space Conservation Area should accommodate existing and planned infrastructure and should take advantage of the proximity to water and power in siting uses requiring these services.
4. Consider visual and physical effects of possible locations of future overhead transmission lines and towers as they relate to the development and siting of facilities in the Open Space Conservation Area.

2. Domestic Water Availability

Exhibit K depicts existing water wells and associated distribution lines within the Open Space Conservation Area and those planned by Centennial Water and Sanitation District which owns the water rights at Highlands Ranch. Tributary wells are located in shallow aquifers that are connected to surface waters. Nontributary wells are located in deeper aquifers that are not connected to surface waters. Centennial Water and Sanitation District should be contacted early in the planning of specific uses requiring water to assure economic provision of water. Water wells used for ranching within the Open Space Conservation Area are owned by Centennial Water and Sanitation District and provide water under a contract with the current ranching operation. Domestic treated water may be available from Centennial Water and Sanitation District water lines. A well owned by Shea Homes irrigates the polo field.

3. Sewage Treatment Options

Sewage treatment options will need to be evaluated as part of development proposals. Sewage treatment options include septic tanks, leach fields or may include treatment by Centennial Water and Sanitation District.

F. EXTERNAL PLANNING

1. External Planning Activities

The following is a discussion of existing, ongoing or future planning activities that may affect or be affected by the Open Space Conservation Area Plan.

Shea Homes: Shea Homes (successor by merger to Mission Viejo Company) is developing Highlands Ranch per the Highlands Ranch Development Plan and Guide as amended.

Highlands Ranch Metropolitan Districts: Highlands Ranch Metropolitan Districts have a Facilities Plan which identifies the construction of roadways, storm drainage facilities, parks and trails adjacent to and leading to the Open Space Conservation Area and also has The Park at Highlands Ranch Master Plan which identifies existing and planned park and recreational amenities for the community of Highlands Ranch. Centennial Water and Sanitation District has a Facilities Plan which identifies the development of water and wastewater utility facilities throughout Highlands Ranch including those within the Open Space Conservation Area.

Regional Plans: Denver Regional Council of Governments (DRCOG) has developed a Regional Growth and Development Framework Plan for the Denver region. This plan identifies the Open Space Conservation Area as nonurban area.

Douglas County Plans: Douglas County has adopted a Master Plan which identifies the Open Space Conservation area as nonurban area. Douglas County is planning a 202-acre expansion of Highland Heritage Park within OSCA (see Exhibit H and Wildcat Regional Park Agreement in Appendix). Douglas County has completed the Sedalia Subarea Master Plan for the property in the vicinity of Sedalia. Policies developed for the Open Space Conservation Area Plan can be reinforced with policies from the Douglas County and Sedalia Subarea Master Plan.

Douglas County Parks and Open Space has prepared Regional Parks and Trail Plan which depicts trails in the vicinity of OSCA. Douglas County has also approved the Highlands Ranch Regional Trail Plan.

Denver: Daniels Park, located east of OSCA, was acquired by Denver in 1937 and includes a house, fireplaces, picnic tables, a buffalo enclosure, and a scenic view of the Front Range. The city currently runs a small herd of buffalo at the Park. Several years ago, the Denver Parks Department contacted interested parties to evaluate interest in Daniels Park. Nothing further has happened to date. This effort may result in a long range planning program for the management of Daniels Park.

Denver owns a 100-foot wide right-of-way through the southern portion of OSCA (see Exhibit H). No decisions have been made to date concerning use of this right-of-way. As Daniels Park is contiguous with the Open Space Conservation Area, policies developed for Daniels Park could reinforce policies developed for the Open Space Conservation Area.

OSCA is bordered on the south by Cherokee Ranch. The late Tweet Kimball formed the Cherokee Ranch and Castle Foundation to create a wildlife sanctuary, museum and cattle ranch. Douglas County acquired a conservation easement over most of the property. This Foundation and easement can reinforce policies developed for OSCA.

Should Douglas County propose to realign Daniels Park Road (Grigs Road) thru OSCA, Shea Homes and HRCA will cooperate with Douglas County in defining an alignment acceptable to all three parties.

Should this alignment require dedication of additional right-of-way, the conveyance by Shea Homes shall not be unreasonably withheld. No other representations are made by Shea Homes or HRCA concerning this realignment.

G. MANAGEMENT ALTERNATIVES

1. Public/Private Partnerships

When considering the development of a plan for the Open Space Conservation Area the methods needed to implement the Plan should be an integral part of the planning process. The Board of Directors of Highlands Ranch Community Association, Inc. would be responsible for securing funds for management, security, capital improvements, and other expenditures necessary to implement the plan and hire a staff to fulfill these responsibilities. This could involve the participation of various appropriate public or private entities contracted with to provide these services such as Douglas County, Highlands Ranch Metropolitan District, South Suburban Parks and Recreation District, Cherokee Ranch and Castle Foundation, and Denver Parks and Recreation Department.

Policies

1. Develop facilities in the Open Space Conservation Area at a level that does not exceed the ability of the HRCA or designated entity to maintain them.
2. Adequate provisions should be made to secure the property. Access to the Open Space Conservation Area should be limited controlled, and the property patrolled to ensure compliance.
3. The HRCA Board of Directors may require a maintenance plan for appropriate uses conveyed within OSCA.
4. Consider the most cost-effective way of managing the land. Evaluate all available options such as independent, non-profit 501-(C)(3) organizations; and intergovernmental agreements between HRCA and a public or private management entity.
5. At the discretion of the Board of Directors of the Highlands Ranch Community Association, any revenues (in excess of cost) derived from the operation of the land shall be applied to future management and/or development of the Open Space Conservation Area, with priority monies given to its upkeep.
6. Research, identify and seek potential revenue sources for development of the land, including grants and donations.
7. Any proposed use and associated management operation must be proven to be economically viable, using revenues generated to offset operational costs.

8. Identify amenity (economic) benefits of proposed land use(s) and estimate their worth to the community as a basis for economic return.
9. Develop the minimum acres necessary to support the maintenance and operation of the remaining Open Space Conservation Area acres and other uses that benefit Highlands Ranch as determined by the HRCA Board of Directors.
10. Within two years of the approval of the OSCA Plan by Douglas County, a management plan for OSCA will be prepared and forwarded to Douglas County for review. The management plan should address the following topics: ecosystem preservation, wildlife, threatened and endangered species, wetlands, weed control, soils conservation, erosion control, revegetation, water, recreation, trails, historic and cultural resources, existing structures, public involvement, grazing and agricultural practices.

CHAPTER 2

PERMITTED LAND USES AND DEVELOPMENT STANDARDS

A. OSCA PLAN MAP

The following discussion summarizes the preceding goals and policies by drawing conclusions from the information gathered on how environmental physical and cultural conditions present either constraints or opportunities for the use of the Open Space Conservation Area. These conclusions form the basis for the Open Space Conservation Area Plan Map.

Exhibit L is a graphic representation of the conclusions of the preceding environmental analysis highlighting lands with characteristics suggesting areas suitable for the 7000-acre area and areas suitable for the 1200-acre developed areas.

The 7000-acre area includes land with:

1. Greater than 15% slope;
2. Pine woodland-shrubland plant communities;
3. Rockfall hazard areas;
4. Rock outcroppings;
5. 100-year floodplain; and
6. Better and best wildlife areas.

The 1200-acre area includes land with:

1. Less than 15% slope;
2. No pine woodland-shrubland plant communities;
3. No rockfall hazard areas;
4. No rock outcroppings;
5. No 100-year floodplain; and
6. Marginal or good wildlife areas.
7. Good access and infrastructure availability

B. PERMITTED LAND USES AND DEVELOPMENT STANDARDS

1. Land Uses

The following is a list of land uses that may be suitable for the 1200-acre area, and the 7000-acre area designated on the Open Space Conservation Area map. This list identifies categories of use and should be not expected to include every specific appropriate use. Instead, the land use categories create a framework on which to evaluate the appropriateness of a given use, some of which cannot be foreseen today.

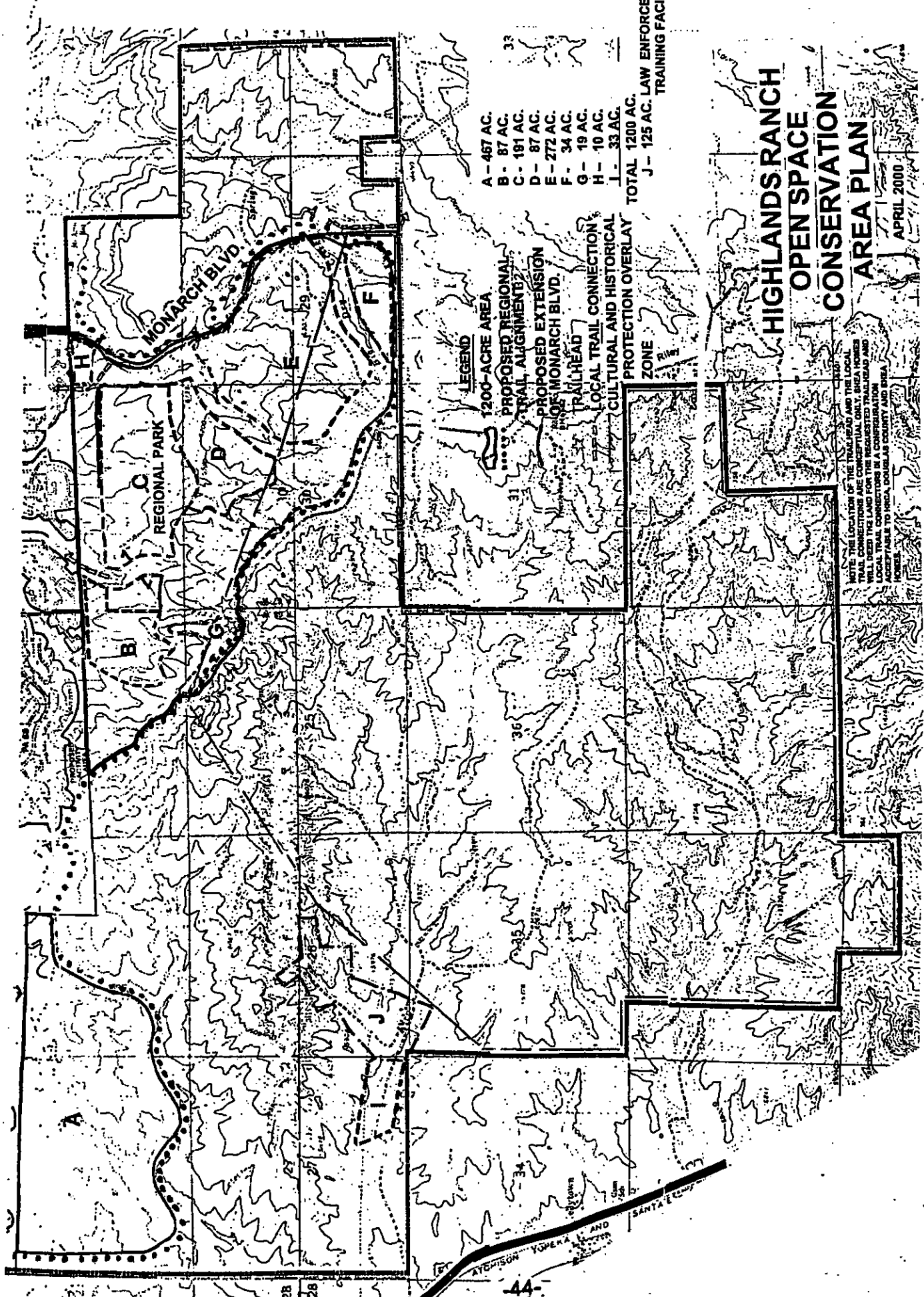
2. Active Recreation and Public Facility Area

(A portion of the 1200-Acre Area as depicted as Planning Areas B-F on the Highlands Ranch Development Plan)

Uses permitted by right subject to Douglas County site improvement plan review and approval:

a. Agriculture

- 1) Farms and ranches for production and sale of crops and livestock including tree farms and associated structures.



- A - 467 AC.
- B - 87 AC.
- C - 181 AC.
- D - 87 AC.
- E - 272 AC.
- F - 34 AC.
- G - 19 AC.
- H - 10 AC.
- I - 33 AC.

TOTAL 1200 AC.

J - 125 AC. LAW ENFORCEMENT TRAINING FACILITY

LEGEND

- 1200-ACRE AREA
- PROPOSED REGIONAL TRAIL ALIGNMENT
- PROPOSED EXTENSION OF MONARCH BLVD.
- TRAILHEAD
- LOCAL TRAIL CONNECTION
- CULTURAL AND HISTORICAL PROTECTION OVERLAY
- ZONE

**HIGHLANDS RANCH
OPEN SPACE
CONSERVATION
AREA PLAN**

APRIL 2000

THE LOCATION OF THE TRAILHEAD AND THE LOCAL TRAIL CONNECTIONS ARE CONCEPTUAL ONLY. SHEILA HOMES WILL LEASE THE LAND FOR THE REQUESTED TRAILHEAD AND LOCAL TRAIL CONNECTIONS IN A CONFIGURATION ACCEPTABLE TO HPCA, DOUGLAS COUNTY AND SHEILA HOMES.

**OSCA PLAN MAP
EXHIBIT L**

HIGHLANDS RANCH OPEN SPACE CONSERVATION AREA

Cattle, buffalo and horse ranching, including raising, breeding, feeding and selling livestock and other animals pending review and associated structures.

- 2) Gardens, tree farms, and associated structures.
 - 3) Agricultural education and research facilities.
 - 4) Arboreta.
 - 5) Community gardens.
- b. Public and quasi-public facilities
- 1) Law Enforcement offices and stations
 - 2) Fire stations
 - 3) Libraries
 - 4) Public utility buildings, structures and facilities including, but not limited to:
 - a) water and wastewater treatment plants not exceeding 100,000 gallon capacity, water wells, wellhead treatment equipment, water distribution lines and appurtenances;
 - b) sludge application to properly reuse the by-product of treated effluent to enhance soil condition and forage. In the event a local, state or federal regulatory agency determines that sludge application is in non-compliance with applicable law, application will be stopped pending further review by the appropriate agency;
 - c) potable water reservoirs; buried water tanks with exposed lid not exceeding 5 million gallon storage capacity and surface reservoirs;
 - d) Electrical, (not to exceed 115 KV), telephone, communication, or natural gas distribution facilities;
 - e) flood control facilities required by applicable regulation;

- f) Cellular communication facilities pursuant to Douglas County Zoning Resolution.
 - g) Drainage discharge and flood control lines, systems and facilities including, but not limited to impoundment reservoirs and retaining basins, ditches, conduits and culverts required by applicable regulation.
- c. Religious institutions including but not limited to churches and retreat facilities not to exceed 350 seats in the main worship area.
- d. Public and private colleges and universities, environmental education camps, and satellite educational facilities operated by public and/or private colleges and universities with structures not to exceed 50,000 sq. ft. in areas where access is available.
- e. Public or private parks and recreational facilities including but not limited to;
- 1) Regional, community and neighborhood parks. Passive park uses should be sited or located on the portions of the park that borders the most environmentally sensitive areas.
 - 2) Golf courses and country clubs and associated uses.
 - 3) Commercial recreation with structures not to exceed 50,000 sq. ft.
 - 4) Recreation centers with structures not to exceed 50,000 sq. ft.
 - 5) Equestrian center, dressage riding area, stables with sites not to exceed 20 acres in area, and polo fields.
 - 6) Sports training center with structures not to exceed 50,000 sq. ft.
 - 7) Skateboard and in-line skating facilities including in-line hockey.
 - 8) Trails including pedestrian, bicycle and equestrian.
 - 9) Special community events.

- 10) Community camps for all ages in areas with good access and limited to marginal or good and better wildlife habitat areas depicted on Exhibit F. Limited overnight camping shall be allowed.

f. Cultural facilities

- 1) Museums
- 2) Cultural centers with structures not to exceed 50,000 sq.ft.
- 3) Amphitheater limited to cultural or instructional programs of a limited nature constructed compatible with the natural surroundings with sites not to exceed 1 acre.
- 4) Archaeological sites;
- 5) Archaeological and interpretive centers with sites not to exceed 10 acres.
- 6) Limited use of existing historic structures for a contemporary use including, but not limited to ranch headquarters, caretaker structures, heritage center, cultural uses and living history museum without expanding the square footage of existing buildings.

g. Wildlife support

- 1) Animal rehabilitation center or wildlife hospital with sites not to exceed 1 acre.
- 2) Wildlife interpretive centers at interface between 1200-acre area and 7000-acre area with sites not to exceed 10 acres.
- 3) Wildlife conservation area and wildlife habitat enhancement area.
- 4) Wildlife migration corridors (see Exhibit F).
- 5) Controlled wildlife viewing areas.

h. Public and private roads or streets

- i. One residence used by landowner of a ranch or farm to manage the property and/or one residence for purposes of housing a caretaker to manage the subject property.
- j. Other uses which serve all or a portion of Highlands Ranch and similar to and consistent with the uses by right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.
- k. Easements
- l. Signs as provided in Section XV of the Highlands Ranch Development Guide except that entry signs shall not exceed 50 square feet for any one sign with a total of 100 square feet per entry and a maximum height of 8 feet; permanent directional, future use, principle use or building directional signs shall not exceed 50 square feet or 8 feet in height; and shall use consistent designs, colors and materials.

3. Golf Course Area

(A portion of the 1200-acre area depicted as Planning Area A on the Highlands Ranch Development Plan)

Uses permitted by right subject to Douglas County site improvement plan review and approval:

- a. Agriculture
 - 1) Cattle, buffalo and horse ranching, including raising, breeding, feeding and selling livestock and other animals pending review and associated structures excluding feed lots.
- b. Public and quasi-public facilities
 - 1) Public utility buildings, structures and facilities including, but not limited to:
 - a) Water wells, wellhead treatment equipment, water distribution lines and appurtenances;
 - b) Electrical (not to exceed 115 KV), telephone, communication, or natural gas distribution facilities.
 - c) Flood control facilities required by applicable regulation.
 - d) Cellular communication facilities pursuant to Douglas County Zoning Resolution.

- e) Drainage & discharge and flood control lines, systems and facilities including, but not limited to impoundment reservoirs and retaining basins, ditches, conduits and culverts required by applicable regulation.
- c. Public or private recreation facilities including but not limited to;
 - 1. Golf courses and country clubs and associated uses.
 - 2. Recreation centers with structures not to exceed 50,000 sq. ft.
 - 3. Trails including pedestrian, bicycle and equestrian
 - 4. Special community events.
- d. Other uses which serve all or a portion of Highlands Ranch and similar to and consistent with the uses by right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.
- e. Easements
- f. Public and private roads or streets
- g. Signs as provided in Section XV of the Highlands Ranch Development Guide except that entry signs shall not exceed 50 square feet for any one sign with a total of 100 square feet per entry and a maximum height of 8 feet; permanent directional, future use, principle use or building directional signs shall not exceed 50 square feet or 8 feet in height; and shall use consistent designs, colors and materials.

4. Cultural and Educational Area

(A portion of the 1200-acre area depicted as Planning Area G on the Highlands Ranch Development Plan)

Uses permitted by right, subject to Douglas County site improvement plan review and approval:

- a. Agriculture
 - 1) Cattle, buffalo and horse ranching, including raising, breeding, feeding and selling livestock and other animals pending review and associated structures excluding feedlots.
 - 2) Agricultural education
- c. Public and quasi-public facilities

1) Public utility buildings, structures and facilities including, but not limited to:

- a) Water wells, wellhead treatment equipment, water distribution lines and appurtenances;
- b) Electrical (not to exceed 115 KV), telephone, communication, or natural gas distribution facilities.
- c) Flood control facilities required by applicable regulation.
- d) Cellular communication facilities pursuant to Douglas County Zoning Resolution.
- e) Drainage & discharge and flood control lines, systems and facilities including, but not limited to impoundment reservoirs and retaining basins, ditches, conduits and culverts required by applicable regulation.

a. Public or private recreation facilities including but not limited to:

- 1) Trails including pedestrian, bicycle and equestrian
- 2) Equestrian Center, dressage riding are, stables with sites not to exceed 20 acres in area.
- 3) Community camps for all ages in areas with good access and limited to marginal or good and better wildlife habitat areas depicted on Exhibit F. Limited overnight camping shall be allowed.
- 4) Special community events.

b. Cultural facilities

- 1) Museums
- 2) Cultural centers with structures not to exceed 50,000 sq. ft.
- 3) Amphitheater limited to cultural or instructional programs of a limited nature constructed compatible with the natural surroundings with sites not to exceed 1 acre.

- 4) Archaeological sites;
 - 5) Archaeological and interpretative centers with sites not to exceed 10 acres.
 - a. Wildlife support
 - 1) Animal rehabilitation center or wildlife hospital with sites not to exceed 1 acre.
 - 2) Wildlife interpretative centers at interface between 1200-acre area and 7000-acre area with sites not to exceed 10 acres.
 - 3) Controlled wildlife viewing areas
 - b. Public and private roads or streets
 - c. Other uses which serve all or a portion of Highlands Ranch and similar to and consistent with the uses by right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.
 - d. Easements
 - e. Signs as provided in Section XV of the Highlands Ranch Development Guide except that entry signs shall not exceed 50 sq. ft. for any one sign with a total of 100 sq. ft per entry and a maximum height of 8 ft; permanent directional, future use, principle use or building directional signs shall not exceed 50 sq. ft. or 8 ft. in height; and shall use consistent designs, colors and material.
5. Driver Training Facility Area
 (A portion of the 1200-acre area depicted in Planning Area I on the Highlands Ranch Development Plan)

Uses permitted by right subject to Douglas County Site Improvement Plan review and approval:

- a. Law enforcement training facility for police and fire emergency equipment and citizen driver training.
- b. Water wells, well-head treatment equipment, water distribution lines and appurtenances.
- c. Electrical (not to exceed 115 KV), telephone, communication or natural gas distribution facilities.
- d. Flood control facilities required by applicable regulation.

- e. Drainage discharge and flood control lines, systems and facilities including, but not limited to, impoundment reservoirs and retaining basins, ditches, conduits and culverts required by applicable regulation.
- f. Driver's training activity shall occur only during daylight hours without necessitating the use of headlights in accordance with state laws defining use of headlights. Except as needed for minimal security needs, no lighting shall be allowed.
- g. Public and private roads or streets.
- h. Easements
- i. Signs as provided in Section XV of the Highlands Ranch Development Guide except that entry signs shall not exceed 50 sq. ft. for any one sign with a total of 100 sq. ft. per entry and a maximum height of 8 ft.; permanent directional, future use, principle use or building directional signs shall not exceed 50 sq. ft. or 8 ft. in height, and shall use consistent design, colors and materials.
- j. Other uses which serve all or a portion of Highlands Ranch similar to and consistent with the Uses by Right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.

6. Playfield Area

(A portion of the 1200-acre area depicted as Planning Area H on the Highlands Ranch Development Plan)

Uses permitted by right, subject to Douglas County site improvement plan review and approval:

- a. Agriculture
 - 1) Cattle, buffalo and horse ranching, including raising, breeding, feeding and selling livestock and other animals pending review and associated structures, excluding feedlots.
- b. Public and quasi-public facilities
 - 1) Public utility buildings, structures and facilities including, but not limited to:
 - a) Water wells, wellhead equipment, water distribution lines and appurtenances;

- b) Electrical (not to exceed 115 KV), telephone, communication, or natural gas distribution facilities.
 - c) Flood control facilities required by applicable regulation.
 - d) Cellular communication facilities pursuant to Douglas County Zoning Resolution.
 - e) Drainage & discharge and flood control lines, systems and facilities including, but not limited to impoundment reservoirs and retaining basins, ditches, conduits and culverts required by applicable regulation.
- c. Public recreation facilities including, but not limited to:
- 1) Playfields as part of a high school/middle school campus.
 - 2) Trails including pedestrian, bicycle and equestrian.
 - 3) Special community events.
- d. Other uses which serve all or a portion of Highlands Ranch and similar to and consistent with the uses by right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.
- e. Easements
- f. Signs as provided in Section XV of the Highlands Ranch Development Guide except that entry signs shall not exceed 50 sq. ft. for any one sign with a total of 100 sq. ft. per entry and a maximum height of 8 ft; permanent directional, future use, principle use or building directional signs shall not exceed 50 sq. ft. or 8 ft. in height; shall use consistent designs, colors and materials.
- g. Public and private roads or streets.

7. Open Space Area
(The 7000-Acre Area)

Uses permitted by right in the 7000-acre area: subject to Douglas County site improvement plan review and approval:

- a. Wildlife support.
 - 1) Wildlife conservation area and wildlife habitat enhancement area.

- 2) Wildlife interpretive centers at interface between 1200-acre area and 7000-acre area with sites not to exceed 10 acres.
 - 3) Wildlife migration corridors (See Exhibit F).
 - 4) Controlled wildlife viewing areas.
- a. Cultural facilities.
- 1) Limited use of existing historic structures for a contemporary use including but not limited to ranch headquarters, caretaker structures, heritage center, and living history museum without expanding the square footage of existing buildings.
 - 2) Archaeological sites.
 - 3) Archaeological interpretive center sites not to exceed 10 acres.
- b. Agriculture.
- 1) Cattle, buffalo and horse ranching including raising, breeding, feeding, and selling of livestock and other animals pending review and associated structures excluding feedlots.
- c. Public and quasi-public facilities:
- 1) Public utility buildings, structures and facilities including but not limited to:
 - a) water and wastewater treatment plants not exceeding 100,000 gallon capacity, water wells well-head treatment equipment, water distribution lines and appurtenances;
 - b) sludge application to properly reuse the by-product of treated effluent to enhance soil condition and forage. In the event a local, state or federal regulatory agency determines that sludge application is in non-compliance with applicable law, application will be stopped pending further review by the appropriate agency.
 - c) potable water reservoirs; buried water tanks with exposed lid not exceeding 5 million gallons storage capacity;

- d) electrical (not to exceed 115 KV), telephone,
 - e) communication, or natural gas distribution facilities;
 - f) flood control facilities required by applicable regulation.
 - g) drainage discharge and flood control lines, systems and facilities including, but not limited to, impoundment reservoirs and retaining basin, ditches, conduits and culverts required by applicable regulation.
 - h) easements
- e. Recreational facilities and uses, including, but not limited to:
- 1) Community camps for all ages for supervised educational experiences in areas with good access and limited to marginal or good wildlife habitat areas or near the edge between good and better wildlife habitat areas as depicted on Exhibit F. Limited overnight camping shall be allowed. Facilities allowed include structures up to a total of 10,000 sq. ft. per camp for dining, restrooms, changing rooms, showers, enclosed storage; and campfire pits, instructional seating areas, tent pads and associated improvements.
 - 2) Riding, hiking and biking trails, interpretive trails, trails for people with disabilities, ski touring trails, and associated vista rest stops and picnic areas and parking associated with a trail head staging area in areas near to existing roads.
 - 3) Fishing ponds and casting pools in better wildlife areas.
 - 4) Limited hunting for wildlife management according to Division of Wildlife guidelines only with permission from the landowner.
 - 5) Polo fields.
- f. Existing access roads with limited use in best wildlife areas as depicted on Exhibit F of the OSCA Plan.
 - g. Open space buffers.
 - h. Public and private roads, streets or arterials and public transportation facilities limited to near or on existing roads or as depicted on Douglas County Master Plan.

- i. Interpretive identification signs shall not exceed 35 sq. ft per sign face and trail identification signs shall not exceed 10 sq. ft. and a maximum height of 6 feet and shall use consistent designs, colors and materials.
- j. One residence used by landowner of a ranch or farm to manage property and/or one residence for purposes of housing a caretaker to manage the subject property.
- k. Other uses, which serve all or a portion of Highlands Ranch similar to and consistent with the uses by right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.

8. Law Enforcement Training Facility Area

(A portion of the 7000-acre area depicted in Planning Area J on the Highlands Ranch Development Plan)

Uses permitted by right subject to Douglas County Site improvement plan review and approval:

- a. Law enforcement training facility.
- b. Water wells, well-head treatment equipment, water distribution lines and appurtenances.
- c. Electrical (not to exceed 115 KV), telephone, communication or natural gas distribution facilities.
- d. Flood control facilities required by applicable regulation.
- e. Drainage discharge and flood control lines, systems and facilities including, but not limited to, impoundment reservoirs and retaining basins, ditches, conduits and culverts required by applicable regulation.
- f. Public and private roads or streets.
- g. One residence used by landowner to manage property and/or one residence for purpose of housing a caretaker to manage the subject property.
- h. Easements
- i. Signs as provided in Section XV of the Highlands Ranch Development Guide except that entry signs shall not exceed 50 sq.ft. for any one sign with a total of 100 sq. ft. per entry and a maximum height of 8 ft.; permanent directional, future use, principle use or building directional signs shall not exceed 50 sq. ft. or 8 ft. in height, and shall use consistent design, colors and materials.

- j. Other uses which serve all or a portion of Highlands Ranch similar to and consistent with the Uses by Right, subject to review and approval by the Douglas County Planning Director based on a recommendation from the HRCA.

9. Uses Permitted by Special Review In The Open Space Conservation Area (8200-acre area) – subject to Douglas County USR permit process per Douglas County Zoning Resolution:

- a. Exploration for and extraction of mineral resources excluding sand and gravel and rock quarrying, subject to a mineral extraction plan approved by Douglas County.
- b. Water and wastewater treatment plants exceeding 100,000 gallon capacity;
- c. Community camps for all ages in the Open Space Area for supervised educational experiences in areas with good access and limited to marginal or good wildlife habitat areas or near the edge between good and better wildlife habitat areas as depicted on Exhibit F. Limited overnight camping shall be allowed. Facilities allowed include structures exceeding a total of 10,000 sq. ft. per camp for dining, restrooms, changing rooms, showers, enclosed storage; and campfire pits, instructional seating areas, tent pads and associated improvements.
- d. Limited use of existing structures for a contemporary use including, but not limited to ranch headquarters, caretaker structures, heritage center, and living history museum in excess of the square footage of existing buildings.

10. Uses Permitted by Special Review in Active Recreation and Public Facility Area (1200-acre area)- A portion of the 1200-acre area as depicted in Planning Areas B-F, on the Highlands Ranch Development Plan, subject to Douglas County USR permit process per Douglas County Zoning Resolution:

- a. Religious institutions including but not limited to churches and retreat facilities with an excess of 350 seats in the main worship area;
- b. Electrical facilities over 115 KV, cable television, radio and communication reception and transmission facilities with landscaped buffer where appropriate;
- c. Public and private colleges and universities, environmental education camps, and satellite education facilities operated by public and/or private colleges and universities with structures in excess of 50,000 sq. ft. in areas where access is available.
- d. Commercial recreation with structures in excess of 50,000 sq. feet.

- e. Recreation centers with structures in excess of 50,000 sq. ft.
 - f. Recreational water park.
 - g. Equestrian Center, dressage riding area, stables with sites in excess of 20-acres in area.
 - h. Ice-skating rink and related facilities.
 - i. Sports training center with structures in excess of 50,000 sq. ft.
 - j. Commercial tobogganing and sledding hills located on north facing slopes with limited vegetation removal needed which may include artificial snowmaking equipment.
 - k. Cultural Center, with structures in excess of 50,000 sq. ft.
 - l. Amphitheater limited to cultural or instructional programs of a limited nature constructed compatible with the natural surroundings with sites in excess of 1 acre.
 - m. Animal rehabilitation center or wildlife hospital with sites in excess of 1-acre.
 - n. Wildlife interpretive centers at interface between 1200-acre area and 7000-acre area with sites in excess of 10 acres.
 - o. Dog training area
 - p. Cemetery and mausoleum.
11. Uses Permitted by Special Review in Law Enforcement Training Facility Area subject to Douglas County USR permit process per Douglas County Zoning Resolution:
(A portion of the 7000-acre area depicted in Planning Area J on the Highlands Ranch Development Plan)
- a. Electrical facilities over 115 KV, cable television, radio and communication reception and transmission facilities with landscaped buffer where appropriate.
12. Development Standards for the Open Space Conservation Area
- a. Minimum lot area: none
 - b. Minimum lot width and depth: none
 - c. Maximum building height: 35 feet as defined on page 4-3 of the Highlands Ranch Development Guide.
 - d. The following setback is required:

- 1) Minimum setback: none except adjacent to a public street where 20 feet is the minimum and adjacent to Planning Areas 57 and 58 where 30 feet is the minimum.
 - 2) No setbacks shall be required adjacent to property lines, which merely separate uses within the Open Space Conservation Area.
- e. All lighting shall be designed and located to reduce power consumption to its lowest practical level and to direct light rays to the lot or project to avoid disruption to adjoining uses. Lighting levels should be limited to applicable standards.
 - f. Trash and storage areas shall be shielded from view by placement within buildings, or by enclosure within opaque walls or fences not less than 5 feet in height. Wall and fence materials shall complement exterior building materials. Trash areas should be bear-proofed.
 - g. All parking lots and driveways shall be maintained in a reasonably neat and clean manner in order to reduce particulate and nonpoint source pollution.
 - h. Building colors should be generally warm and rich in tone, in the range of natural colors and earth tones with low reflective value.
 - i. Building massing should be simple and include strongly integrated geometric forms which closely reflect the activities that occur in the building.
 - j. Buildings should be scaled to compliment their surroundings.
 - k. Glazing shall be of non-reflective style.
 - l. Design structures to step down hillsides and to fit the sloping terrain.
 - m. For further direction, refer to the goals and policies of the Highlands Ranch Open Space Conservation Area Plan.
 - n. Wherever appropriate, new wildlife friendly fencing will be installed according to Colorado Division of Wildlife Standards.

13. Acreage Calculation for the Active Recreation and Public Facility Area, the Cultural and Educational Area, the Playfield Area, Driver Training Facility Area, and the Golf Course Area

a. Intent

In accordance with the 1988 OSCA Agreement and this Plan it is the intent of the "Active Recreation and Public Facility Area, the Cultural and Educational Area, the Playfield Area, Driver Training Facility Area, and the Golf Course Area" to provide up to 1200 acres for public and commercial recreation and public facility land uses. In calculating the extent of acreage counted toward the 1200 acres for a given land use, the guiding principle shall be that of overall site integrity. In most cases the calculation shall include the entire property boundary; however, it is anticipated that in some cases sufficiently large and important portions of the site may be left out of the 1200 acre accounting, as these areas are either characteristic of the "Open Space Area" or fall within specific wildlife movement corridors or buffers identified on Exhibits F and L of this plan.

Areas that may be excluded from the 1200 acre accounting include:

1. 100-year flood plain; when left in a natural unchannelized/unimproved state;
2. Significant drainageways associated with wildlife movement corridors;
3. Land with slopes exceeding 20% grade, excluded from site development;
4. Undisturbed grassland, shrubland, riparian, or woodland vegetation that is not integral to an overall site development plan. In general, for example, land lying between golf course fairways would be considered part of the 1200-acre accounting; unless contained in areas defined by 1, 2, or 3 above and;
5. Collector and arterial roads such as Monarch Blvd., Daniels Park Road, Griggs Road.

b. Accounting Maintenance and Final Determination

Douglas County will maintain a tabulation of acres attributed to the "Active Recreation and Public Facility Area, the Cultural and Educational Area, the Playfield Area, Driver Training Area and the Golf Course Area" (the 1200-acre area) updated with each approved land use application.

The County shall make the final determination on inclusion or exclusion of acreage in the 1200-acre tabulation.

Given both natural and man-made constraints, the Plan and its accounting methodology do not guarantee the full 1200 acres for active recreation and public facilities will be realized.

No acreage south of the regional trail west of Monarch Blvd. extended and no acreage east of the regional trail east of Monarch Blvd. extended shall be developed in accordance with the "Active Recreation and Public Facility Area". The only exception may be a portion of a wildlife or nature interpretive center or other permitted uses within Planning Areas G and permitted uses within Planning Area I.

14. Planning Area Boundaries

The boundaries of Planning Areas A-J as depicted on Exhibit L of the OSCA Plan and on the Highlands Ranch Development Plan may be modified pursuant to the procedure outlined in Section V. G. of the Highlands Ranch Development Guide.

15. Cultural and Historical Protection Overlay Zone

a. Intent

Native American Indian cultural activities continue today at the Tall Bull Memorial Grounds located within Daniels Park, immediately adjacent to the Highlands Ranch Open Space Conservation Area. These activities include social gatherings, communal spiritual events such as teepee ceremonies, and private spiritual undertakings such as vision quests. The grounds provide spiritual sanctuary to 50 American Indian nations, the Native American Church, and various councils and institutions. Maintaining peaceful and visually unobstrusive surroundings is of paramount concern. Significant portions of the Highlands Ranch Open Space Area are visible from the Tall Bull Memorial Grounds.

Additionally, significant cultural and historical resources lie within this area and deserve special protection. The most visually prominent resources include Daniels Park Road, Griggs/Lafayette Ranch and the Douglas Pasture Ranch.

b. Permitted Land Uses

Land Uses shall be permitted in accordance with the provisions of the respective planning areas.

c. Development Review Standards

1) Visual Analysis

For all development requiring buildings within the Cultural and Historical Protection Overlay Zone ("The Zone") as depicted on Exhibit L, a visual analysis shall be conducted relative to at least two points within the Tall Bull Memorial Grounds. These points shall include at a minimum the central ceremonial ring and a high point along the southern boundary. The first priority shall be to place structures in the Zone such that they will not be seen from these points. In the event that structures can not be fully invisible from within the Tall Bull Memorial Grounds, appropriate natural visual screening shall be required.

2) Lighting Standards

Except for more restrictive standards stated herein, all outdoor lighting within the Zone shall be in accordance with the Douglas County Zoning Resolution, as amended.

Outdoor lighting within the Zone shall be limited to the minimum required for security, utilitarian and safety purposes.

All outdoor lighting within the Zone shall be shielded to the extent that the source of illumination (bulb or direct lamp image) is not visible from any adjacent property. Within the Zone, no light trespass beyond the facility served shall be allowed.

No outdoor facility shall be illuminated after 10 p.m. or after one hour beyond business closure, whichever is more restrictive, unless for safety reasons.

Maximum fixture height for all lighting within the Zone shall be 24'.

3) Buildings within the Zone portion of Planning Area E shall be sited as far away from Tall Bull Memorial Grounds as possible.

4) Development Proposal Referrals

All development proposals within the Cultural and Historical Protection Overlay Zone shall be referred to the Tall Bull Memorial Grounds Council for their participation and input in the design review process.

16. Monarch Blvd. Contribution

Within Planning Areas D, E, and F of the Open Space Conservation area, a fair and equitable contribution of \$ 69/DT will be paid to Douglas County by the landowner for the following land uses, including other similar land uses as determined by the Planning Director in accordance with applicable provisions of the Highlands Ranch Development Guide and Plan and the Open Space Conservation Area Plan:

a. Uses Permitted by Right

- 1) Religious institutions at 13.13 ADT/acre;
- 2) Colleges and universities at 47.6 ADT/acre;
- 3) Commercial recreation with structures not to exceed 50,000 sq. ft. at 24 ADT/acre;
- 4) Recreation centers with structures not to exceed 50,000 sq. ft. at 24 ADT/acre; and
- 5) Sports training center with structures not to exceed 50,000 sq. ft. at 24 ADT/acre.

b. Uses Permitted by Special Review

- 1) Exploration for and extraction of mineral resources*;
- 2) Religious institutions including but not limited to churches and retreat facilities with an excess of 350 seats in the main worship area at 13.13 ADT/acre;
- 3) Colleges and universities with structures in excess of 50,000 square feet at 47.6 ADT/acre;
- 4) Commercial recreation with structures in excess of 50,000 sq. ft. at 24 ADT/acre;
- 5) Recreation centers with structures in excess of 50,000 sq. ft. at 24 ADT/acre;
- 6) Recreational water park*;
- 7) Equestrian Center in excess of 20-acres in area*;
- 8) Ice-skating rink and related facilities*;
- 9) Commercial tobogganing and sledding*;
- 10) Cultural Center with structures in excess of 50,000 sq. ft.*;

- 11) Amphitheater in excess of 1 acre *; and
- 12) Dog Training area,*

*Trip generation to be determined at time of approval of use by special review required traffic report.

The following land uses will not be required to make a contribution:

C. Uses Permitted by Right

- 1) All agricultural land uses as described in Article XIII-Nonurban Area, Section E, Subsection 'a'. of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B., Subsection 2.a of the Highlands Ranch Open Space Conservation Area Plan;
- 2) All public and quasi-public facilities land uses as described in Article XIII-Nonurban Area, Section E, Subsection 'b'. of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B., Subsection 2.b of the Highlands Ranch Open Space Conservation Area Plan;
- 3) Public or private parks and recreational facilities as described in Article XIII-Nonurban Area, Section E, Subsection 'e', items 1), 2), 5), 7), 8), 9), 10) of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B, Subsection 2.e., items 1), 2), 5), 7), 8), 9), 10) of the Highlands Ranch Open Space Conservation Area Plan;
- 4) Cultural facilities as described in Article XIII—Nonurban Area, Section E, Subsection 'f' of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B, Subsection 2.f of the Highlands Ranch Open Space Conservation Area Plan; and
- 5) Wildlife support land uses as described in Article XIII-Nonurban Area, Section E, Subsection 'g' of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B, Subsection 2.g of the Highlands Ranch Open Space Conservation Area Plan.
- 6) Permitted land uses as described in Article XIII-Nonurban Area, Section E, Subsections h.,i.,k, l.,and Chapter 2, Section B, Subsection 2.,h.,i.,k.,l. of the Highlands Ranch Open Space Conservation Area Plan.

C. Uses by Special Review

1. Uses permitted by special review as described in Article XIII-Nonurban Area, Section L. Subsections b,c,d, of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B, Subsection 9, items b,c,d of the Highlands Ranch Open Space Conservation Area Plan, and;
2. Uses permitted by special review as described in Article XIII-Nonurban Area, Section M., Subsections b,m,n,p of the Highlands Ranch Development Guide and Plan and Chapter 2, Section B, Subsection 10, items b,m,n,p of the Highlands Ranch Open Space Conservation Area Plan.

The payment of this contribution must be made prior to recordation of an approved final plat or prior to site improvement plan approval, if no final plat is involved. This requirement is above and beyond the prior commitment of Shea Homes concerning the construction of 4100 linear feet of South Quebec Street (Monarch Blvd.). The developer of parcels within Planning Areas D, E, and F shall, however be responsible for causing the construction of local streets, acceleration/deceleration lanes on Monarch Blvd. as required by Douglas County proportionate share of signage, signalization, and the addition of travel lanes on Monarch Blvd. as may be required by Douglas County for the development within Planning Areas D, E, and F. Upon the conveyance of the 33 acre Driver Training Facility Area (Planning Area I) to Douglas County at no cost to the County, Douglas County shall establish a credit of \$ 82,500 to the grantor of the land or its assigns (33 acres x \$ 2500/acre) toward any required payment of the \$ 69/ADT contribution. The total amount of OSCA contributions pursuant to this commitment of \$ 69/ADT shall not exceed \$ 966,301.

APPENDIX

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OPEN SPACE CONSERVATION AGREEMENT

(Highlands Ranch)

This Agreement is made this 15th day of November, 1988, among COUNTY OF DOUGLAS, STATE OF COLORADO ("County"), acting by and through its Board of County Commissioners, HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC., a Colorado nonprofit corporation ("Community Association"), MISSION VIEJO COMPANY, a California corporation ("Mission"), and SAND CREEK CATTLE COMPANY, a Colorado corporation ("Sand Creek").

I. GENERAL.

1.1 Recitals. This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties:

(a) Pursuant to Colorado Revised Statutes, 30-28-106 (1), the Douglas County Planning Commission adopted a Douglas County Master Plan on November 18, 1986. The General Goal Statement for the Douglas County Master Plan contains several central themes and highlights certain Plan objectives, including: Encouraging the efficient investment and use of limited public and private resources in developing and maintaining quality community facilities and services; maximizing the benefits of growth and development and minimizing the impacts; accommodating major growth and development while seeking to preserve and maintain significant open space areas and the natural environment; and encouraging and supporting the economic development in providing a tax base and a range of employment and housing opportunities.

(b) The referenced Douglas County Master Plan established a number of planning goals to ensure, through the Plan's implementation, orderly development of Douglas County, the provision of adequate infrastructure and quality development compatible with the surrounding land uses and the natural environment. Various land use goals were established for residential, commercial and industrial development to direct new urban development toward Planned Urbanization Areas and municipalities.

(c) Since 1979, Mission has been in the process of developing Highlands Ranch, a large scale, mixed use development, in accordance with the Planned Community District Development Guide and Development Plan for the New Town of Highlands Ranch. These development and investment activities by Mission have been consistent with, and supportive of, the goals established in the current Douglas County Master Plan.

(d) The Highlands Ranch project has required and will continue to require major investments in public facilities over a span of time to serve the needs of the community and the

County. There is a need for predictability and assurance of ability to complete these facilities to serve the Highlands Ranch Development, including streets, drainage facilities, water lines and mains, wastewater lines and mains, water and wastewater treatment plants, parks and recreation facilities, and fire protection facilities.

(e) County recognizes that completion of these facilities will help to achieve the objectives of the Douglas County Master Plan. The County also acknowledges that these facilities must be planned in an effective, efficient and economic manner and must be constructed with sizing and capacity which anticipates the ultimate size and scope of the planned development. The County further recognizes that this, in turn, requires public and private investment by the County, by the water and sanitation districts, by metropolitan districts and by developers which can be supported only if there is assurance that development, once approved by the County, will be allowed to proceed to ultimate completion as provided in this Agreement.

(f) County has expressed an interest in open space conservation in Douglas County. Mission and Sand Creek as a part of this Agreement are committing to convey a major portion of Highlands Ranch ("Committed Area") to the Community Association for the purpose of owning and administering these lands for use in perpetuity as open space, recreation purposes, public facilities and wildlife habitat enhancement. County recognizes this as a significant contribution toward Open Space Conservation in Douglas County. Mission and Sand Creek recognize that their commitment to convey the Committed Area as aforesaid is a material consideration for the agreements of the County contained herein.

(g) The County has approved an Amendment to the Development Guide to, among other things, expand the boundaries of Highlands Ranch to include and rezone 369 acres of property for industrial park owned by third parties and increase the maximum number of residential dwelling units which may be developed within Highlands Ranch. The amendment will provide economic benefits in the form of: (1) increased assessed valuation of those properties, (2) readily developable land due to proximity to C-470, and (3) additional tax benefits to the County and Highlands Ranch Special Districts.

(h) County has determined that entry into this Agreement will further the goals and objectives of the County's land use planning policies by: (1) eliminating uncertainty in planning for and securing orderly development of Highlands Ranch so that adequate long-term plans regarding the provision of necessary infrastructure can be developed and implemented, and ensuring the maximum effective utilization of resources within the County at the least economic cost to its citizens, and (2) providing for the preservation of open space and wildlife habitat enhancement. In exchange for these benefits to the

County, Mission desires to receive the assurance that it may proceed with development of Highlands Ranch as provided in this Agreement.

(i) The purpose of the Agreement is: (1) to reflect the vesting of certain rights to undertake and complete development and use of Highlands Ranch under the Development Guide, and (2) to reflect the commitment of Mission to convey major portions of Highlands Ranch to the Community Association or a community body or a public body as permitted herein for the purpose of owning and administering these lands for use in perpetuity as open space, recreational purposes, public facilities and wildlife habitat enhancement. Sand Creek, a wholly owned subsidiary of Mission, joins in this Agreement as present owner of some of the Committed Area, as hereinafter defined. The Community Association joins in this Agreement to evidence its approval and acceptance of the terms hereof and its agreement to accept conveyance of the Committed Area as provided herein.

1.2 County Development Agreement Provisions. The County has adopted an amendment to Part I of its Zoning Resolution, as Section 11, Development Agreements ("County Development Agreement Provisions") establishing criteria, procedures, submittal requirements and development agreement requirements and the rights which may be vested for the vesting of property rights by development agreement at a stage earlier than site plan or final plat approval. The County has determined that Mission and the Highlands Ranch project have satisfied the criteria; that Mission has, except as waived by County in accordance with the County Development Agreement provisions, followed the procedures and the submittal requirements; and that this Agreement satisfies the Development Agreement requirements of the County Development Agreement Provisions, all as hereinafter indicated.

(a) The Development Guide for Highlands Ranch, as amended, and the vesting of property rights thereunder, is consistent with the goals and policies of the Douglas County Master Plan.

(b) The commitment contained herein of Mission to convey the Committed Area for open space, recreational purposes and wildlife habitat enhancement enables the County to obtain supplemental facilities and benefits which cannot be obtained through existing regulations, standards or policies.

(c) The Highlands Ranch project is located within the most Northern Primary Planned Urbanization Area as identified on the 1986 Douglas County Master Plan.

(d) A substantial investment in the infrastructure needs of the development has been accomplished in that substantially more than 30% of the infrastructure needs of

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the development, as defined in the County Development Agreement Provisions, has been constructed and substantially more than \$50 million in 1984 dollars has been invested in infrastructure needs.

(e) Highlands Ranch contains occupied residential, commercial and office structures.

(f) Highlands Ranch has direct freeway access to C-470.

(g) The application for approval of this Agreement as a development agreement was submitted many months prior to adoption of the County Development Agreement Provisions and, accordingly, as permitted under the County Development Agreement Provisions, procedural and submittal requirements contained in the County Development Agreement Provisions have been waived; however, the County finds that, notwithstanding the submittal of this Agreement for approval prior to adoption of County Development Agreement Provisions, the procedural and submittal requirements of the County Development Agreement Provisions have nevertheless been substantially complied with, particularly those relating to the public notice requirements and to hearings before the County Planning Commission and the Board of County Commissioners.

II. CERTAIN DEFINITIONS.

2.1 Committed Area. The "Committed Area" shall mean the property described on Exhibit A attached hereto. This property consists of approximately 8200 acres or 38% of the 21,437 acres originally subject to the Development Guide. The Committed Area includes approximately 5146 acres which, under the original Development Guide, was to remain in private ownership subject to a Conservation Easement and approximately 994 acres which, under the original Development Guide, was part of the land authorized to be developed and sold as Ranch Homesites. It is expected that at least 2170 acres of the Committed Area will be required to be credited as Open Space under the Open Space Agreement, dated October 20, 1980, between Mission and the County ("Open Space Agreement") in order to satisfy the Open Space Requirements for Highlands Ranch as defined in the Open Space Agreement and County agrees that so much of the Committed Area as may be necessary shall be credited to meet such Open Space Requirements. In addition to the Committed Area, there are and will be other nonurban areas within Highlands Ranch as indicated on the Development Plan so that the total nonurban area equals approximately 60% of the 21,437 areas originally subject to the Development Guide.

2.2 Development Guide. The "Development Guide" shall mean the Planned Community District Development Guide for the New Town of Highlands Ranch approved September 17, 1979 by the County, as the same has now been amended or may hereafter be

amended with the written consent of Mission and shall be deemed incorporated herein by reference as if set forth in full.

2.3 Development Plan. The "Development Plan" shall mean the Planned Community District Development Plan - Statistical Summary and the Planned Community District Development Plan - Zoning Map included in the Development Guide, as the same has now been amended or may hereafter be amended with the written consent of Mission and shall be deemed incorporated herein by reference as if set forth in full.

2.4 Highlands Ranch. "Highlands Ranch" shall mean the area covered by the Development Guide.

2.5 Definitions in Development Guide. Except as the context may otherwise require, any words, terms or phrases which are defined in the Development Guide shall have the same meaning as used in this Agreement.

III. CONVEYANCE AGREEMENT.

3.1 Agreement to Convey. Subject to the terms and provisions of this Agreement, Mission and Sand Creek hereby agree to convey the Committed Area to the Community Association and the Community Association hereby agrees to accept conveyance of the Committed Area. If, for any reason, the Community Association shall not accept conveyance of the Committed Area or any portion thereof at the time determined for its conveyance, such conveyance shall be made to a Community Body or a Public Body, as those terms are defined in the Open Space Agreement, dated October 20, 1980, between Mission and the County, and the Committed Area shall be preserved by such Community Body or Public Body for the purposes provided herein.

3.2 Time for Conveyance. Conveyance of the Committed Area to the Community Association shall be made no later than two years after the substantial completion of either residential or nonresidential buildout of the area covered by the Development Guide, or 75 years after the date of this Agreement, whichever occurs first. Substantial completion of residential buildout shall be deemed to have occurred when building permits have been issued for 90% of the dwelling units permitted under the Development Guide or, since all permitted dwelling units may not be fully utilized, when 90% of the acreage of all planning areas designated in the Development Guide for residential use have been finally subdivided under duly approved and recorded final plats and building permits have been issued for each lot or parcel shown on such plats intended for the construction of dwelling units. Substantial completion of Nonresidential Buildout shall be deemed to have occurred when 90% of the acreage of developable land within Planning Areas designated in the Development Guide for nonresidential use are the subject of duly approved and recorded final plats or of duly approved site plans.

3.3 Interim Convevances. Notwithstanding the foregoing designation of an ultimate time for conveyance of the Committed Area, Mission or Sand Creek may convey portions of the Committed Area or all of the Committed Area to the Community Association or otherwise as permitted herein prior to the time required for such conveyance. Unless otherwise consented to by the Community Association, no conveyance of all or any part of the Committed Area shall be made to the Community Association prior to the ultimate time for conveyance until at least two years after written notice to the Community Association of the intent to make such conveyance.

3.4 Title. The property conveyed by Mission or Sand Creek to the Community Association shall be conveyed by special warranty deed excluding all mineral and water rights and subject to all easements, covenants, conditions, restrictions and other matters affecting title as now exist and/or appear of record, including a long term lease for a law enforcement training facility, and shall be subject to or except or reserve such other matters affecting title which may hereafter arise in connection with utilization of the Committed Area for Permitted Incidental Uses and for Active Recreational Facilities and Public Facilities as hereinafter provided.

3.5 Use Restrictions. Any conveyance of property by Mission or Sand Creek to the Community Association pursuant to this Agreement shall be subject to restrictions (a) limiting ownership thereof to the Community Association, or a Public Body or a Community Body as those terms are defined in the Open Space Agreement, dated October 20, 1980, between Mission and the County; (b) limiting use thereof, in perpetuity, to open space and recreational purposes and to Permitted Incidental Uses as hereinafter defined and, as to a limited portion of the Committed Area, to Active Recreational Facilities and to Public Facilities as hereinafter provided; and (c) providing that 50% of any consideration payable for any subsequent transfer of any interest in the Committed Area shall be paid to Mission or Sand Creek as the case may be. Any such conveyance shall provide for reversion of title to the property to Mission if the restrictions contained therein are violated.

3.6 Permitted Incidental Uses. Except to the extent prohibited by or inconsistent with provisions of the Development Guide relating to uses in the Committed Area (including provisions added to the Development Guide pursuant to the presently contemplated Open Space Conservation Area Plan), the Committed Area may at all times be used in ways which may be necessary, appropriate or desirable to support or facilitate development of Highlands Ranch consistent with the Development Guide; to support or facilitate development of property outside of Highlands Ranch; or to permit development of nonagricultural resources which may exist on or under the Committed Area ("Permitted Incidental Uses"). Except as aforesaid, such

Permitted Incidental Uses may include, but are not limited to, the following:

(a) Public and private roads, trails and public transportation facilities.

(b) Utilities lines, systems and facilities including, but not limited to, electricity, gas, telephone, telegraph, communications and cable television.

(c) Water lines, systems and facilities including, but not limited to, water wells, storage reservoirs, and water treatment plants.

(d) Sanitation lines, systems and facilities including, but not limited to, sewage treatment and reclamation plants.

(e) Drainage discharges and drainage and flood control lines, systems and facilities including, but not limited to, impoundment reservoirs and retaining basins, ditches, conduits and culverts.

(f) Signs identifying property, the owner thereof or the use thereof, or advertising uses on the Committed Area or nearby land, or warning or cautioning of danger, or giving directions, or as may be required by law.

(g) Accessory structures or uses which are customarily incident or necessary to any permitted use.

Mission or Sand Creek may convey portions of the Committed Area or interests therein to third parties when necessary, appropriate or desirable for the above Permitted Incidental Uses upon such terms and for such consideration as Mission or Sand Creek may deem appropriate, without consent of the Community Association, provided that Mission or Sand Creek shall have given written notice of the proposed conveyance to the Community Association at least 60 days prior to the conveyance and shall pay 50% of any consideration received to the Community Association. At the time of conveyance of any of the Committed Area to the Community Association, Mission or Sand Creek shall except such portions or interests previously conveyed and may except and reserve to itself, its successors and assigns, easements for Permitted Incidental Uses. Use of the Committed Area for utility lines, systems and facilities as set forth in (b) above, which lines, systems and facilities are wholly or principally to support or facilitate development of property outside of Highlands Ranch, shall be permitted only after approval by the County under County procedures for uses permitted by special review.

3.7 Recreational and Public Facilities. Except to the extent prohibited by or inconsistent with provisions of the Development Guide relating to uses in the Committed Area

(including provisions added to the Development Guide pursuant to the presently contemplated Open Space Conservation Area Plan), up to 1200 acres of the Committed Area may be used for Active Recreational Facilities and Public Facilities but only with the written consent of Mission and the Community Association and the County. "Active Recreational Facilities" shall mean any improvements of a substantial nature for active recreational uses. "Public Facilities" shall mean buildings and improvements of a substantial nature including, but not limited to, facilities for fire and police protection, public and governmental buildings and facilities, educational facilities, and radio, television and communication transmission and reception facilities. Nothing contained in the foregoing shall limit the ability to use any of the Committed Area for Permitted Incidental Uses. Mission or Sand Creek may convey portions of the Committed Area or interests therein to third parties when necessary, appropriate or desirable for Active Recreational Facilities and Public Facilities provided the written consent of the Community Association and the County has been obtained. Any such conveyance shall be subject to the restrictions set forth in Section 3.5 of this Agreement. At the time of subsequent conveyance of the Committed Area pursuant to this Agreement, Mission shall except such portions or interests previously conveyed.

3.8 Interim Use. Prior to conveyance of the Committed Area to the Community Association, the Committed Area may be used for any purposes permitted under the foregoing section of this Agreement entitled Permitted Incidental Uses and may be used for any agricultural or nonurban purposes including, but not limited to, ranching, farming, production and sale of crops, raising, breeding, feeding and selling of livestock, gardening and horticulture, open space and forests and, if approved by the Community Association and the County, may be used for any other uses which will not adversely affect or impact the Committed Area upon ultimate conveyance thereof, and, with the written consent of the Community Association, may be used for Active Recreational Facilities and Public Facilities.

3.9 Open Space Conservation Area Plan. Except as hereinafter provided, no development, issuance of building permits, construction, grading or removal of earthen material shall be permitted in the Committed Area until an Open Space Conservation Area Plan for the Committed Area has been submitted for review and the Board of County Commissioners has approved the Plan. The Plan will provide direction in determining appropriate land uses for the Committed Area as well as which specific areas of the Committed Area are to remain as open space, which are necessary for support of wildlife, which are suitable for the construction of necessary public facilities, and the type of and location for specific land uses and public and private recreation facilities including parks, trails and commercial recreation facilities. Exempted from these restrictions are the public utility facilities such as wells, pump stations, waterlines, and the electrical transmission lines and roads necessary to serve

these facilities, and other similar uses as may be allowed by the approval of the Planning Director of the County, and any other uses required for continued ranching. Once the Open Space Conservation Area Plan has been approved by County, the Development Guide and Plan shall be amended to establish acceptable Uses by Right and by Special Review for the Committed Area. After such amendment is completed, the restrictions stated above will be deemed removed.

3.10 No Public Trespass. Nothing herein contained shall be deemed to authorize any person or party to enter upon the Committed Area or use the same other than Mission and Sand Creek, prior to conveyance thereof to the Community Association, and other than the Community Association after such conveyance.

3.11 Condemnation Awards. In the event of any taking of the Committed Area or any portion thereof as a result of the exercise of the right of condemnation or eminent domain or a transfer or a conveyance made under threat of such taking, 50% of any award or consideration received shall be payable to Mission or Sand Creek as the case may be including any portion thereof which may be deemed an award or consideration for the rights of the Community Association or of Douglas County under this Agreement. This provision shall survive the conveyance of the Committed Area to the Community Association. The parties hereto will allow the County to resist any such taking.

IV. VESTING AGREEMENTS

4.1 Vesting of Certain Property Rights. Consistent with the purpose of this Agreement, the parties hereby agree that the Development Guide shall constitute a "site specific development plan" as defined in C.R.S. § 24-68-102(4); that certain rights under the Development Guide shall be vested property rights under the County Development Agreement Provisions and as provided in this Agreement; and that the owners of the property covered by the Development Guide shall have a vested property right to undertake and complete development and use of such property as provided in this Agreement. The rights and obligations under this Agreement shall vest in the owners of the property covered by the Development Guide and their heirs, personal representatives, successors and assigns as benefits and burdens to the land and shall run with title to the land.

4.2 Rights Which Are Vested. Only the rights which are identified herein shall constitute vested property rights under this Development Agreement. These rights are as follows:

(a) No Downzoning. The County shall not initiate any zoning action to reduce the maximum number of residential dwelling units or acres or to reduce the total gross acres for commercial, business or industrial development as set forth in the Development Guide and the Development Plan except as provided herein.

(b) Residential Dwelling Units and Acreage. The right to develop substantially the total number of residential dwelling units set forth on the Development Plan and the right to utilize substantially the total gross acres for residential use as set forth on the Development Plan.

(c) Commercial Acres and Density. The right to utilize substantially the total gross acres for commercial and industrial use as set forth on the Development Plan and the right to develop substantially the gross floor area for commercial and industrial use as is permitted under the provisions, limitations and constraints of the Development Guide.

(d) Development Guide and Plan. The right to develop land and engage in land uses in the manner and to the extent set forth in and pursuant to the Development Guide and the Development Plan on the terms and conditions set forth herein.

(e) Timing of Development. In recognition of the size of the development contemplated under the Development Guide, the time required to complete development, the need for development to proceed in phases, and the possible impact of economic conditions and economic cycles and varying market conditions during the course of development, the right to develop Highlands Ranch in such order and at such rate and at such time as the market dictates within the structure of this Agreement.

(f) Uniformity of Requirements. The right to continue and complete the development of Highlands Ranch with conditions, standards, dedications, exactions and requirements which are no more onerous than those set forth in the Development Guide or than those then being imposed by the County on other developers in Douglas County on a reasonably uniform and consistent basis.

4.3 Term for Vested Rights. In recognition of the size of the development contemplated under the Development Guide, the time required to complete development, the need for development to proceed in phases, and the possible impact of economic cycles and varying market conditions during the course of development, the County has concluded and hereby agrees that the rights identified in Section 4.2 of this Agreement, as vested property rights, shall continue and have a duration until 30 years after the date hereof. Extension of this period of vesting may be granted by the County upon request of an affected landowner.

4.4 Natural and Manmade Hazards. Nothing in this Agreement or otherwise shall require the County to approve development or use of any portion of Highlands Ranch where there exists natural or manmade hazards on or in the immediate vicinity of the proposed area of use, whether or not such natural or manmade hazards could reasonably have been discovered at the time

of approval of the Development Guide and Development Plan, provided that such hazards are not or cannot be corrected and that such hazards, if uncorrected, would pose a serious threat to the public health, safety and welfare.

4.5 Compliance With General Regulations. The establishment of the rights vested under this Agreement shall not preclude the application of county regulations of general applicability including, but not limited to, impact fees, the application of local improvement districts, building, fire, plumbing, engineering, electrical and mechanical codes, the Douglas County Subdivision Resolution, and the Douglas County Zoning Resolution, or the application of regional, state or federal regulations, as all of the foregoing exist on the date of this Agreement or may be enacted or amended after the date hereof, except as otherwise provided within the Development Guide or the Development Plan. Mission does not waive its rights to oppose adoption of any such regulations.

4.6 No Monetary Liability of County. Although C.R.S. § 24-68-101 et seq. allows for monetary damages in the event of breach or default by the County, the sole remedies hereunder shall be the equitable remedies of specific performance or mandatory or prohibitory injunction. Mission and Sand Creek hereby waive any rights to money damages either may have under the Constitution and laws of the United States or the State of Colorado for any such breach or default.

4.7 County Right to Cure Defaults. Before bringing any action against the County under this Agreement, the County shall be given written notice of any claim of a breach or default by the County hereunder and the County shall have 60 days after receipt of such notice in which to cure any such breach or default.

4.8 No County Responsibility for Outside Causes. The County shall not be responsible for and there shall be no remedy against the County if development of Highlands Ranch is prevented or delayed for reasons beyond the control of the County. Furthermore, the County shall have no liability for normal administrative delays in its land use and development process.

4.9 Effect of Rezoning/Major Amendments of Development Guide. Rezoning or major amendment (as defined in the Douglas County Zoning Resolution or the Development Guide) to the Development Guide or the Development Plan, agreed to by a landowner, shall grant the County the right to modify this Agreement as to the lands of such landowner to the extent the rezoning or major amendment affects this Agreement. Any such rezoning or amendment shall not have the effect of extending the term of this Agreement.

4.10 Effect of Annexation. The vested property rights arising under this Agreement shall be effective against any other

and the affected landowner ^{elle} of ^{for} J.S.

local government which may subsequently obtain or assert jurisdiction over Highlands Ranch unless otherwise agreed to by the County through resolution at a publicly noticed hearing. Mission and Sand Creek agree that neither will initiate annexation of Highlands Ranch to a municipality whose main body of population or center of government is located outside Douglas County except with the express consent of the County.

4.11 County Remedies. Should any landowner fail to comply with the terms of this Agreement, the County shall give such landowner written notice of breach or default and the landowner shall have 60 days after receipt of said notice in which to cure any breach or default. Should any such landowner fail to cure any breach or default, the County shall have the right to pursue all legal remedies against such landowner to enforce this Agreement including, but not limited to, filing an action for a specific performance or terminating this Agreement insofar as it affects such landowner causing this Agreement, as to such landowner, to be null and void and no longer binding on the County or such landowner.

4.12 Assurance of Adequate Services. It is understood and agreed that proof of adequate services within the control of the developer such as water availability and transportation, to serve any specific site must be provided to the County, as and to the extent and under the same standards as required of other developers in Douglas County, as a prerequisite to County approval of a final subdivision plat or a site plan. Adequate services shall be as defined by the Douglas County Board of County Commissioners and uniformly applied throughout the County.

4.13 Indemnification of County. Each landowner benefited hereby shall indemnify and save harmless the County, its officers and employees, against any and all claims, damages, actions or causes of action and expenses to which the County, its officers and employees, may be subjected by reason of any work done or omission made by such landowner, its agents, officers or employees, in connection with, arising out of, or resulting from the performance of this Agreement as set forth in this Agreement.

V. MISCELLANEOUS

5.1 Amendments. This Agreement may be amended or terminated only with the prior written consent and approval of each of the parties hereto following public notice and public hearing. The consent and approval of the County to amendments or to termination of this Agreement shall be required notwithstanding that all or any part of the Committed Area may hereafter be included in an incorporated city or town.

5.2 Entire Agreement. This Agreement and the Development Guide constitute the entire understanding between the parties with respect to the subject matter hereof. The Conservation Easement dated April 14, 1980, except as modified by

this Agreement, and the Open Space Agreement, dated October 20, 1980, between Mission and Douglas County shall continue in full force and effect.

5.3 No Implied Representations. No representations, warranties or certifications, express or implied, shall exist as between the parties except as stated herein.

5.4 Waivers and Modifications in Writing. No amendments, waivers or modifications hereof shall be made or deemed to have been made unless in writing executed by the party to be bound thereby.

5.5 Severability. If the zoning embodied in the Development Guide shall be held invalid, illegal or unenforceable, or is revoked prior to expiration of the 30-year term for the vesting of rights as provided in this Agreement, Mission may at its option, declare this Agreement terminated and of no further effect, in which case all parties shall be released from all further obligations hereunder. If any other provision of this Agreement shall be invalid, illegal or unenforceable, it shall not affect or impair the validity, legality or enforce-ability of any other provision of this Agreement, and the parties agree to renegotiate that provision to be valid, legal and enforceable and to reflect as closely as possible the original intent of the parties hereto as expressed herein with respect to the subject matter of that provision..

5.6 No Third Party Beneficiaries. Except as provided in Section 4.1 of this Agreement with respect to Vesting of Certain Property Rights, none of the terms, conditions or covenants contained in this Agreement shall be deemed to be for the benefit of any person not a party hereto, and no such person shall be entitled to rely hereon in any manner. Nothing in this Section is intended to conflict with the rights of Mission and Sand Creek to convey portions of the Committed Area or interests therein to third parties for the Permitted Incidental Uses set forth in Section 3.6.

5.7 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

5.8 Headings for Convenience. All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this Agreement.

5.9 Applicable Law. This Agreement shall be interpreted and enforced according to the laws of the State of Colorado.

5.10 Exhibits Incorporated. All exhibits to this Agreement are incorporated herein and made a part hereof as if fully set forth herein.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

MISSION VIEJO COMPANY, a California corporation

By [Signature]
President
Colorado Division

COUNTY OF DOUGLAS, STATE OF COLORADO, acting by and through its Board of County Commissioners

By Clark Huff
County Commissioner

ATTEST:

By Lyn S. Pierce
Assistant Secretary

By Francis D. McCarty
County Commissioner

By _____
County Commissioner

SAND CREEK CATTLE COMPANY, a Colorado corporation

By [Signature]
President

ATTEST:

By [Signature]
Clerk and Recorder of Douglas County

ATTEST:

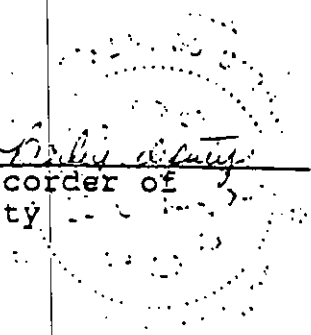
By Lyn S. Pierce
Asst. Secretary

HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC., a Colorado nonprofit corporation

By Victoria J. Stuckey
President

ATTEST:

By [Signature]
Secretary



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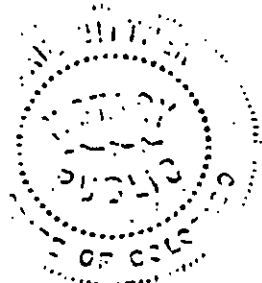
STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 15th day of November, 1988 by Craig McCallum as Colorado Division President and Tim J. Pierce as Asst. Secretary of MISSION VIEJO COMPANY, a California corporation.

Witness my hand and official seal.

My commission expires: 1/21/91

Gail Butner
Notary Public



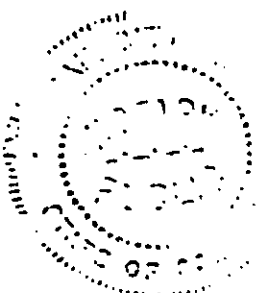
STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 15th day of November, 1988 by Craig McCallum as President and Tim J. Pierce as Asst. Secretary of SAND CREEK CATTLE COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: 1/21/91

Gail Butner
Notary Public



STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

As acknowledged before me this 15th day of November of 1988 by Victoria J. Stanley as President and Jeffrey J. Kippel as Secretary of HIGHLANDS' RANCH COMMUNITY ASSOCIATION, INC., a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: 1/28/91

Diane Arnsperger
Notary Public



8076072

EXHIBIT A

DESCRIPTION

THAT PORTION OF THE REAL PROPERTY IN DOUGLAS COUNTY, COLORADO ACQUIRED BY MISSION VIEJO COMPANY (A) BY SPECIAL WARRANTY DEED FROM MARVIN DAVIS DATED DECEMBER 11, 1979 AND RECORDED DECEMBER 18, 1979 IN BOOK 378, PAGE 208, DOUGLAS COUNTY RECORDS; (B) BY SPECIAL WARRANTY DEED FROM JESS KORTZ ET AL., DATED DECEMBER 13, 1979 AND RECORDED DECEMBER 18, 1979 IN BOOK 378, PAGE 411, DOUGLAS COUNTY RECORDS; AND (C) BY SPECIAL WARRANTY DEED FROM THEODORE J. ALPERT, ET AL., DATED DECEMBER 13, 1979 AND RECORDED DECEMBER 18, 1979 IN BOOK 378, PAGE 614, DOUGLAS COUNTY RECORDS; DESCRIBED AS FOLLOWS:

TOWNSHIP 6 SOUTH, RANGE 67 WEST, 6TH P.M.DOUGLAS COUNTY, COLORADO

- SECTION 19: THAT PORTION OF THE S 1/2 DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 19; THENCE ALONG THE WESTERLY LINE OF SAID SECTION 19 NORTH 00°11'06" WEST 2441.29 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 87°26'22" EAST 5323.81 FEET TO THE EASTERLY LINE OF SAID SECTION 19; THENCE ALONG SAID EASTERLY LINE SOUTH 00°00'19" EAST 2591.81 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 19; THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 19 SOUTH 89°03'29" WEST 5311.57 FEET TO THE POINT OF BEGINNING.
- SECTION 20: THE W 1/2 OF THE SE 1/4 AND THE EAST 1/2 OF THE SW 1/4 TOGETHER WITH THAT PORTION OF THE W 1/2 OF THE SW 1/4 OF SAID SECTION 20 DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 20; THENCE ALONG THE WESTERLY LINE OF SAID SECTION 20 NORTH 00°00'19" WEST 2591.81 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 87°26'22" EAST 1335.31 FEET TO THE NORTH 1/4 CORNER OF THE SW 1/4 OF SAID SECTION 20; THENCE ALONG THE EAST LINE OF SAID W 1/2 OF THE SW 1/4 SOUTH 00°02'32" EAST 2638.03 FEET TO THE SOUTH LINE OF SAID SECTION 20; THENCE ALONG SAID SOUTHERLY LINE SOUTH 89°25'25" WEST 1335.79 FEET TO THE POINT OF BEGINNING.
- SECTION 28: THE W 1/2
EXCEPT THAT PORTION DESCRIBED IN THE DEED TO PUBLIC SERVICE COMPANY OF COLORADO, RECORDED IN BOOK 167, PAGE 251, DOUGLAS COUNTY RECORDS
AND EXCEPT THAT PORTION DESCRIBED IN THE DEED TO WILLIAM E. MYRICK, RECORDED IN BOOK 575, PAGE 481, DOUGLAS COUNTY RECORDS.

SECTION 29: ALL
EXCEPT THAT PORTION DESCRIBED IN THE DEED TO PUBLIC SERVICE COMPANY OF COLORADO, RECORDED IN BOOK 167, PAGE 251, DOUGLAS COUNTY RECORDS.

SECTION 30: ALL

TOWNSHIP 6 SOUTH, RANGE 68 WEST, 6TH P.M.

DOUGLAS COUNTY, COLORADO

SECTION 22: ALL
EXCEPT THE N 1/2 OF THE N 1/2.

SECTION 23: THE SW 1/4 AND THE S 1/2 OF THE NW 1/4 AND THE W 1/2 OF THE W 1/2 OF THE SE 1/4 AND THE W 1/2 OF THE SW 1/4 OF THE NE 1/4 TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL: BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 23 SOUTH 89°42'49" WEST 1979.35 FEET; THENCE LEAVING SAID SOUTHERLY LINE NORTH 00°20'33" WEST 2167.99 FEET; THENCE NORTH 87°26'22" EAST 1983.86 FEET TO THE EASTERLY LINE OF SAID SECTION 23; THENCE ALONG SAID EASTERLY LINE SOUTH 00°15'55" EAST 2246.72 FEET TO THE POINT OF BEGINNING.

SECTION 24: THAT PORTION OF THE S 1/2 DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 24; THENCE ALONG THE WESTERLY LINE OF SAID SECTION 24 NORTH 00°15'55" WEST 2246.72 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 87°26'22" EAST 5332.33 FEET TO THE EASTERLY LINE OF SAID SECTION 24; THENCE ALONG SAID EASTERLY LINE SOUTH 00°11'06" EAST 2441.29 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 24; THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 24 SOUTH 89°31'49" WEST 5324.67 FEET TO THE POINT OF BEGINNING.

SECTION 25: ALL

SECTION 26: ALL

SECTION 27: ALL

SECTION 35: ALL

SECTION 36: ALL

8826873 - 11/18/88 09:36 - RETA A CHAIN DOUGLAS CO

TOWNSHIP 7 SOUTH, RANGE 67 WEST, 6TH P.M.

DOUGLAS COUNTY, COLORADO

SECTION 6: ALL
EXCEPT THE SE 1/4
AND EXCEPT THAT PORTION DESCRIBED IN THE DEED RECORDED IN
BOOK 61, PAGE 80, DOUGLAS COUNTY RECORDS.

TOWNSHIP 7 SOUTH, RANGE 68 WEST, 6TH P.M.

DOUGLAS COUNTY, COLORADO

SECTION 1: ALL
EXCEPT THAT PORTION DESCRIBED IN THE DEED RECORDED IN
BOOK 61, PAGE 80, DOUGLAS COUNTY RECORDS.

SECTION 2: ALL
EXCEPT THE W 1/2 OF THE W 1/2
AND EXCEPT THAT PORTION DESCRIBED IN THE DEED RECORDED IN
BOOK 61, PAGE 80, DOUGLAS COUNTY RECORDS.

SECTION 11: THE N 1/2 OF THE NE 1/4
EXCEPT THAT PORTION DESCRIBED IN THE DEED RECORDED IN
BOOK 61, PAGE 80, DOUGLAS COUNTY RECORDS.

CONTAINING 8200 ACRES, MORE OR LESS.

EXHIBIT ATTACHED, AND BY THIS REFERENCE MADE A PART HEREOF.

C. Rey Tenney

C. REY TENNEY
REGISTERED LAND SURVEYOR NO. 17666

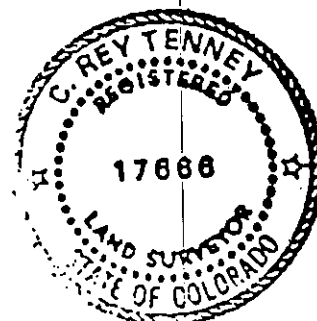
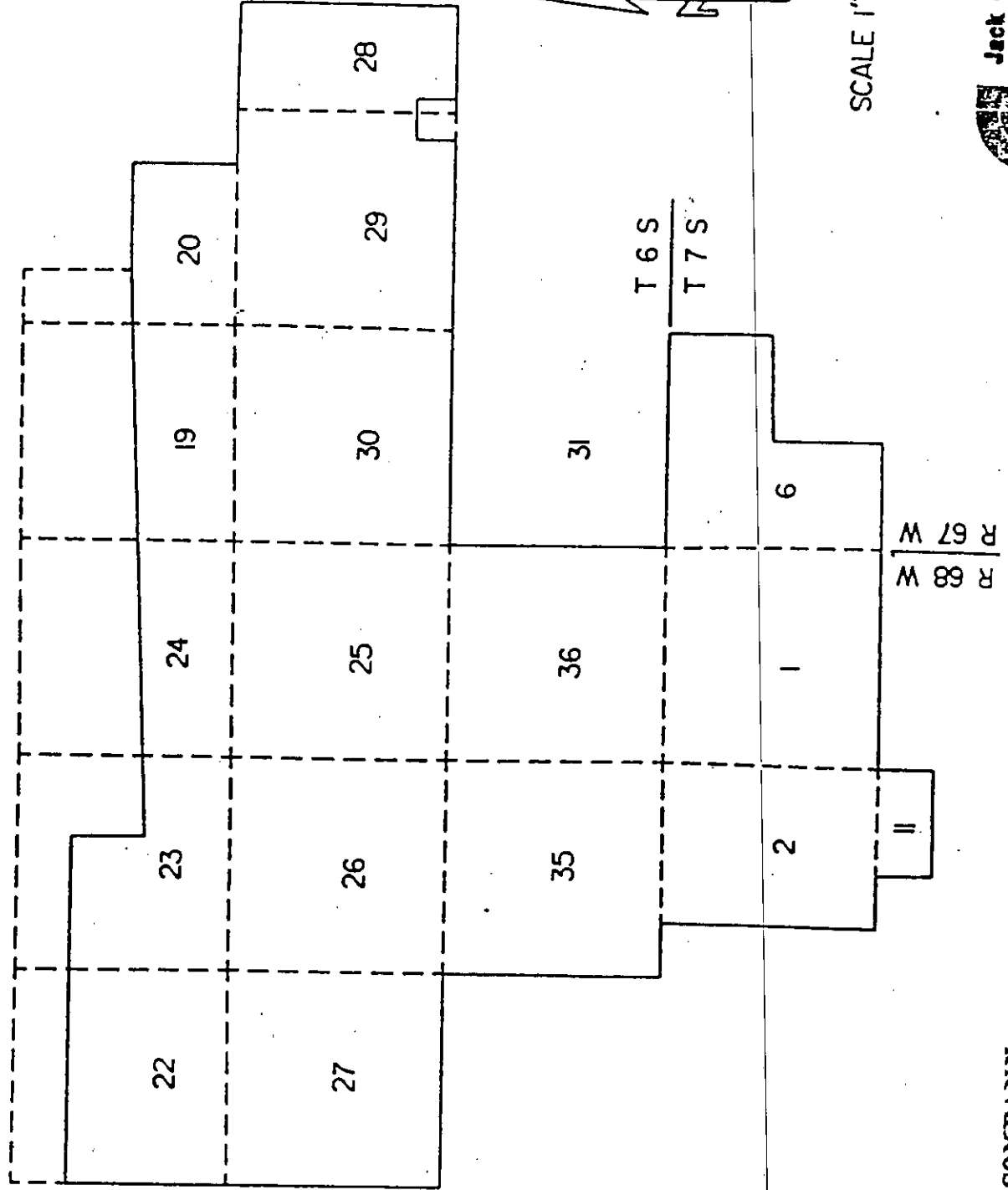


EXHIBIT A-1

SKETCH TO ACCOMPANY LEGAL DESCRIPTION

8826873 - 11/18/88 09:36 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
B0826 - P0038 - \$57.00 - 19/ 19



SCALE 1" = 4000'

WILDCAT REGIONAL PARK AGREEMENT
(Highlands Ranch)

THIS AGREEMENT is made this 6th day of November, 1996, by and between HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC., a Colorado nonprofit corporation ("HRCA"), COUNTY OF DOUGLAS, STATE OF COLORADO ("County"), acting by and through its Board of County Commissioners, MISSION VIEJO COMPANY, a California corporation ("Mission"), and SAND CREEK CATTLE COMPANY, a Colorado corporation ("Sand Creek").

I GENERAL:

1.1 Recitals. This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties:

(a) The County has expressed an interest in owning and developing a 202-acre regional park within the boundaries of the "Committed Area" as defined in the November 15, 1988 Open Space Conservation Agreement between Mission, HRCA, Sand Creek and County, and recorded in the records of the Clerk and Recorder of Douglas County, Colorado on November 18, 1988 in Book 826 at Page 20 (the "Open Space Agreement"). Discussions regarding a proposed site for a regional park in the Committed Area have been ongoing for some time between the HRCA, County and Mission. HRCA and Mission support the County's desire to develop a regional park in the Committed Area.

(b) The use and disposition of land within the Committed Area is governed by and subject to the terms of the Open Space Agreement, and the Committed Area does not constitute Community Association Property as defined under Section 2.15 of the Community Declaration for Highlands Ranch Community Association, Inc., as recorded in the public records of Douglas County, Colorado at Book 421, Page 924. Pursuant to Article III of the Open Space Agreement, development of a regional park within the Committed Area would constitute an Active Recreational Facility for which the approval of County and HRCA must be obtained before Mission or Sand Creek may convey or transfer an interest for such purposes.

(c) Mission, Sand Creek, County and HRCA have determined that the development of a regional park within the Committed Area will constitute a significant benefit to the Highlands Ranch Community and the people of Douglas County, and by this Agreement wish to set forth their consent to the conveyance of a site for the regional park within the Committed Area to County on the terms and conditions set forth herein.

II. DEFINITIONS:

2.1 Regional Park Site. The "Regional Park Site" shall mean that portion of the Committed Area, not to exceed 202 acres, that is generally described on the depiction set forth on the attached Exhibit A, which is incorporated herein by reference and made a part hereof. Prior to conveyance of the Regional Park Site, Mission, Sand Creek, County and HRCA shall mutually agree on a final legal description for the Regional Park Site that shall be attached to the deed conveying title to the site to the County. The cost of preparing the legal description shall be paid by Mission.

2.2 Open Space Conservation Area Plan. "Open Space Conservation Area Plan" shall mean that certain plan for the use and development of the Committed Area that is to be reviewed and approved by County pursuant to Section 3.9 of the Open Space Agreement.

2.3 Development Guide. The "Development Guide" shall mean the Planned Community District Development Guide for the New Town of Highlands Ranch approved September 17, 1979 by the County and recorded on October 22, 1979 in Book 373 at Page 187 of the records of the Clerk and Recorder of Douglas County, Colorado, as the same has been and may be amended from time to time.

2.4 Development Plan. The "Development Plan" shall mean the Planned Community District Development Plan - Statistical Summary, and the Planned Community District Development Plan - Zoning Map, included in the Development Guide as the same has been and may be amended from time to time.

2.5 Highlands Ranch. "Highlands Ranch" shall mean the area covered by the Development Guide.

2.6 Definitions in Open Space Agreement and Development Guide. Except as the context may otherwise require or as may be expressly provided for herein, any capitalized words, terms or phrases which are used in this Agreement shall have the same meaning as similarly capitalized terms used in the Open Space Agreement or the Development Guide.

2.7 Agreement. "Agreement" shall mean this Wildcat Regional Park Agreement, as executed by the parties hereto.

2.8 Regional Park. "Regional Park" as used herein shall mean a major park that offers recreational opportunities of a nature, or of such wide variety, that it attracts people of the widest possible range of age or interest. Without limiting the generality of the foregoing, a Regional Park may, subject to the terms and provisions of this Agreement, include some or all of the following uses: irrigated, multipurpose play fields, picnic units, playgrounds, restroom facilities/drinking fountains, non-motorized multipurpose trails, and group picnic pavilions.

III. CONVEYANCE AGREEMENT:

3.1 Agreement to Convey. HRCA and County hereby agree and consent to the conveyance by Mission and/or Sand Creek to County of the Regional Park Site for Regional Park purposes pursuant to Section 3.7 of the Open Space Agreement, subject to the terms and provisions of this Agreement. Conveyance of the Regional Park Site to County shall be made without the payment of monetary consideration, except as otherwise set forth in this Agreement.

3.2 Development Schedule and Plans.

(a) The County shall submit to Mission and HRCA for their review any plans for development of the Regional Park ("Plans"), including but not limited to any improvements to be constructed within the Regional Park and operation of the Regional Park, including, but not limited to grading plans, drainage plans and reports, landscape plans, lighting plans, building plans, elevations, materials and colors, hours, types of usage and other operational issues, and access to the Regional Park and buffer zones between the Regional Park and the remainder of the Committed Area for review and comment. HRCA and Mission shall then have a period of thirty (30) days in which to submit any and all comments, ~~corrections, objections~~, etc. to the Plans.

3.3 OSCA Master Plan.

(a) Mission agrees to submit to the County its Open Space Conservation Area Plan in accordance with Section 3.9 of the Open Space Agreement no later than six months after the approval of this agreement by all parties hereto.

(b) The County shall complete its review of the Open Space Conservation Area Plan within six (6) months of its receipt by County.

3.4 Form of Conveyance. Mission and/or Sand Creek shall convey the Regional Park Site to the County by means of a deed, the form of which is attached to this Agreement as Exhibit B, which is incorporated herein by reference (the "Special Warranty Deed"). As more specifically set forth in Exhibit B, the Special Warranty Deed contains restrictions prohibiting the use of the Regional Park Site for any purpose other than as a Regional Park, prohibiting the County from leasing or transferring any interest in the Regional Park Site to any person, entity or organization without any opportunity for HRCA and Mission to review and comment, and providing HRCA and Mission with the right to review and comment on any proposed improvements to the Regional Park Site.

3.5 Time of Conveyance. Mission and/or Sand Creek shall convey the Regional Park Site to the County within sixty (60) days after written request of the County.

3.6 Costs. All costs associated with subdivision of the Regional Park Site, title issues related thereto (including, but not limited to title insurance), and conveyance of the site shall be borne by Mission.

3.7 Park Land Credit. Conveyance of the Regional Park Site to the County by Mission and/or Sand Creek pursuant to this Agreement will be in full compliance and satisfaction of Mission's commitment set forth in Section A, (7), page 3 of the Preamble to the Development Guide, to convey up to 202 acres of land to the County for the expansion of the Highlands Heritage Regional Park. County acknowledges that following the conveyance of the Regional Park Site, Mission shall have no further obligation to convey Regional Park land to the County whether pursuant to the Development Guide, County Regulations, or otherwise.

3.8 Limitation on Requirement for Notice to or Approval of Mission. When any requirement is made herein concerning notice to Mission, the same shall be required only until two years after the substantial completion of either residential or nonresidential build out of the area covered by the Development Guide, or 75 years after the November 15, 1988 date of the Open Space Agreement, whichever occurs first.

IV. MISCELLANEOUS:

4.1 Amendments. This Agreement may be amended or terminated only in writing, signed by each of the parties hereto.

4.2 Entire Agreement. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof.

4.3 No Implied Representations. No representations, warranties or certifications, express or implied, shall exist as between the parties except as stated herein.

4.4 Waivers and Modifications in Writing. No amendments, waivers or modifications hereof shall be made or deemed to have been made unless in writing executed by the party to be bound thereby.

4.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

4.6 Headings for Convenience. All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this Agreement.

4.7 Applicable Law. This Agreement shall be interpreted and enforced according to the laws of the State of Colorado.

4.8 Exhibits Incorporated. All exhibits to this Agreement are incorporated herein and made a part hereof as if fully set forth herein.

4.9 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, it shall not affect or impair the validity, legality or enforceability of any other provision of this Agreement, and the parties agree to renegotiate that provision to be valid, legal and enforceable and to reflect as closely as possible the original intent of the parties hereto as expressed herein with respect to the subject matter of that provision.

4.10 Notices. All notices, payments and other required communications ("Notices") to the parties hereto shall be in writing, and shall be addressed respectively as follows:

TO: Mission Viejo Company
Attn: Jerry Poston
8822 South Ridgeline Boulevard
Highlands Ranch, Colorado 80126

TO: Sand Creek Cattle Company
Attn: Joseph B. Blake
8822 South Ridgeline Boulevard
Highlands Ranch, Colorado 80126

TO: Highlands Ranch Community Association, Inc.
Attn: President of Board of Directors and Community Manager
36 West Springer Drive
Highlands Ranch, Colorado 80126

TO: County of Douglas, State of Colorado
Attn: Board of County Commissioners
101 Third Street
Castle Rock, Colorado 80104

All Notices shall be given (a) by personal delivery to the parties hereto, (b) by overnight courier, or (c) by electronic communication, with a confirmation sent by registered or certified mail, return receipt requested. All Notices shall be effective and shall be deemed delivered (d) if by personal delivery or overnight courier on the date of delivery if delivered during normal business hours and, if not delivered during normal business hours, on the next business day following delivery, (e) if by electronic communication on the next business day following receipt of the electronic communication, and (f) if solely by mail on the next business day after actual receipt. A party hereto may change its address by Notice to the other parties hereto.

4.11 Survival of Provisions. Any provisions of this Agreement which require observance or performance subsequent to the date that Mission and/or Sand Creek convey the

Regional Park Site shall continue in full force and effect subsequent to such date and shall not be merged with the deed.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

MISSION VIEJO COMPANY,
a California corporation

By Jerry T. Poston
Senior Vice President

ATTEST:

By Gordon B. Boyl
Assistant Secretary

SAND CREEK CATTLE COMPANY,
a Colorado corporation

By R. S. Stake
Vice President

ATTEST:

By Gordon B. Boyl
Assistant Secretary

COUNTY OF DOUGLAS, STATE OF
COLORADO, acting by and
through its Board of County
Commissioners

By James P. Sullivan
Chairman, Board of County Commissioners

ATTEST:

By Wanda W. Bailey, deputy
Clerk and Recorder of
Douglas County



HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC., a Colorado nonprofit corporation

ATTEST:

By *Allen E. Chapman*
Allen E. Chapman, President

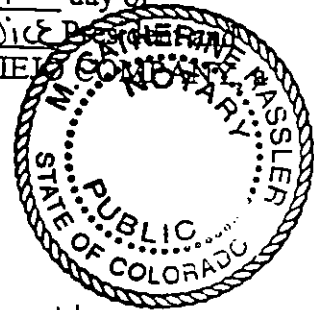
By: *M. Catherine Hassler*
Secretary

STATE OF COLORADO)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 4th day of November, 1996, by Jerry T. Paston as SR. Vice President and James B. Bagel as Assistant Secretary of MISSION VIEW COMPANY, a California corporation.

Witness my hand and official seal.

My commission expires: My Commission Expires 8-29-1999



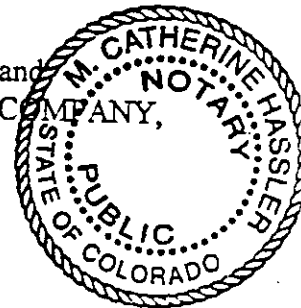
M. Catherine Hassler
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 4th day of November, 1996, by Joseph B. Blake as Vice President and James B. Bagel as Assistant Secretary of SAND CREEK CATTLE COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: My Commission Expires 8-29-1999



M. Catherine Hassler
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 4th day of November, 1996, by Allen E. Chapman, as President and Maureen Anderson, as Secretary of HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC., a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: 1/24/98

Peggy Jack
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 6th day of November, 1996, by James R. Sullivan, Chairman of the Board of County Commissioners of COUNTY OF DOUGLAS, STATE OF COLORADO, acting by and through its Board of County Commissioners.

Witness my hand and official seal.

My commission expires: 11/23/98


Cindy L. Hancock
Notary Public


EXHIBIT A
REGIONAL PARK SITE

LEGAL DESCRIPTION

DOUGLAS COUNTY REGIONAL PARK EXPANSION

THAT PORTION OF SECTION 19 AND SECTION 30, TOWNSHIP 6 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, IN THE COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

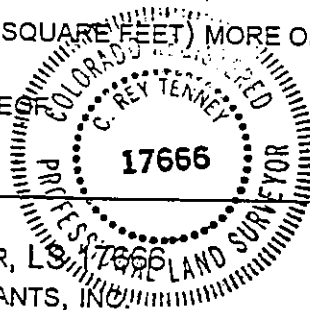
COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 19; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID SECTION 19, SAID WESTERLY LINE ALSO BEING THE CENTERLINE OF DANIELS PARK ROAD, SOUTH $00^{\circ}11'06''$ EAST 3244.00 FEET; THENCE LEAVING SAID WESTERLY SECTION LINE AND SAID CENTERLINE NORTH $89^{\circ}48'54''$ EAST 30.00 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT ALSO BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID DANIELS PARK ROAD; THENCE NORTH $90^{\circ}00'00''$ EAST 5287.26 FEET TO THE EASTERLY LINE OF SAID SECTION 19; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH $00^{\circ}01'10''$ EAST 1667.70 FEET; THENCE LEAVING SAID EASTERLY LINE SOUTH $89^{\circ}03'29''$ WEST 1193.54 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 750.00 FEET; THENCE WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE 737.40 FEET THROUGH A CENTRAL ANGLE OF $56^{\circ}20'00''$; THENCE TANGENT TO SAID CURVE SOUTH $32^{\circ}43'29''$ WEST 226.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 350.00 FEET, THENCE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY ALONG SAID CURVE 506.24 FEET THROUGH A CENTRAL ANGLE OF $82^{\circ}52'22''$; THENCE TANGENT TO SAID CURVE NORTH $64^{\circ}24'09''$ WEST 262.22 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 300.00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE 178.18 FEET THROUGH A CENTRAL ANGLE OF $34^{\circ}01'47''$; THENCE TANGENT TO SAID CURVE NORTH $30^{\circ}22'22''$ WEST 528.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 500.00 FEET; THENCE NORTHWESTERLY, WESTERLY, AND SOUTHWESTERLY ALONG SAID CURVE 674.87 FEET THROUGH A CENTRAL ANGLE OF $77^{\circ}20'05''$; THENCE TANGENT TO SAID CURVE SOUTH $72^{\circ}17'33''$ WEST 401.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 100.00 FEET, THENCE WESTERLY AND NORTHWESTERLY ALONG SAID CURVE 120.89 FEET THROUGH A CENTRAL ANGLE OF $69^{\circ}16'00''$; THENCE TANGENT TO SAID CURVE NORTH $38^{\circ}26'27''$ WEST 328.29 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 500.00 FEET, THENCE NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE 780.70 FEET THROUGH A CENTRAL ANGLE OF $89^{\circ}27'43''$; THENCE TANGENT TO SAID CURVE SOUTH $52^{\circ}05'50''$ WEST 370.73 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID DANIELS PARK ROAD; THENCE ALONG SAID RIGHT-OF-WAY LINE NORTH $00^{\circ}11'06''$ WEST 1412.58 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 202.000 ACRES (8,799,120 SQUARE FEET) MORE OR LESS.

EXHIBIT ATTACHED AND MADE A PART HEREOF


C. REY TENNEY

COLORADO REGISTERED LAND SURVEYOR, L.S. 17666
FOR AND ON BEHALF OF AZTEC CONSULTANTS, INC.



Oct, 22, 1996
DATE

P.O.C.
NW CORNER SECTION 19,
T6S, R67W

SEC 19

NORTH LINE OF
OPEN SPACE CONSERVATION
AGREEMENT (OSCA)

CL DANIELS PARK ROAD
3244.00'
500'11'06"E
1412.58'
1800'11'00"W

N69°48'54"E
30.00'

T.P.O.B.

N90°00'00"E 5287.26'

202.00 ACRES

S52°05'50"W
370.73'

$\Delta = 89^{\circ}27'45''$
R = 500.00'
L = 780.70'

N38°26'27"W
328.29'

$\Delta = 69^{\circ}16'00''$
R = 100.00'
L = 120.89'

S72°17'35"W
401.89'

$\Delta = 77^{\circ}20'05''$
R = 500.00'
L = 874.37'

N30°22'22"W
528.81'

$\Delta = 34^{\circ}01'47''$
R = 300.00'
L = 178.18'

N64°24'09"W
262.22'

$\Delta = 82^{\circ}52'22''$
R = 350.00'
L = 506.24'

S59°03'29"W
1193.54'

$\Delta = 56^{\circ}20'00''$
R = 750.00'
L = 737.40'

S32°43'29"W
226.12'

FUTURE
ALIGNMENT S. QUEBEC ST.
500'10"E 1687.70'

SEC 30

CONCEPTUAL ALIGNMENT



1 inch = 1000 ft.

DATE 10/17/06 TIME _____
SCALE 1"=1000' T.M. _____
REVISION _____
DRAWN BY JTB/07/07
CHECKED BY _____
DESIGNED BY JTB

AZTEC CONSULTANTS, Inc.
A LAND SURVEYING COMPANY

7200 E. Dry Creek Rd. Suite C-102 Englewood, CO 80112
Ph. (303) 713-1898 Fax. (303) 713-2897

EXHIBIT A
DOUGLAS COUNTY
REGIONAL PARK EXPANSION

JOB NUMBER 11706-01

2 OF 2 SHEETS

**EXHIBIT B
SPECIAL WARRANTY DEED**

Exhibit B

SPECIAL WARRANTY DEED

This Special Warranty Deed (this "Deed") is made this _____ day of _____, 19____, by SAND CREEK CATTLE COMPANY, a Colorado corporation ("Sand Creek"), whose address is 8822 South Ridgeline Boulevard, Highlands Ranch, Colorado 80126, to the COUNTY OF DOUGLAS, STATE OF COLORADO ("County"), a political subdivision of the State of Colorado, whose address is 301 Wilcox Street, Castle Rock, Colorado 80104.

GRANT

SAND CREEK, in consideration of the covenants, conditions and restrictions contained herein, but without monetary consideration, has granted, bargained, sold and conveyed and hereby does grant, bargain, sell, convey and confirm unto Grantee, its successors and assigns forever, all of the following described property located in the County of Douglas, State of Colorado (the "Property"), as more particularly described in the attached Exhibit A, which is incorporated herein by reference.

TOGETHER WITH all and singular the hereditaments and appurtenances thereunto belonging, or in any way appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all of the estate, right, title, interest, claim and demand whatsoever of Sand Creek, either in law or equity, of, in and to the Property;

SUBJECT TO the "Permitted Exceptions," which shall mean (a) the covenants, conditions, restrictions, exceptions, easements, rights-of-way, prior conveyances of water and mineral rights and other matters of record; (b) any taxes and assessments, including special assessments not yet due and payable; and, (c) those additional matters set forth on the attached Exhibit B, which is incorporated herein by reference.

AND SUBJECT FURTHER to the covenants, conditions, restrictions and reservations hereinafter set forth;

TO HAVE AND TO HOLD the Property, with the appurtenances, unto Grantee, its successors and assigns forever.

AND Sand Creek, for itself, its successors and assigns, covenants and agrees to and with Grantee, its successors and assigns, to warrant the title and defend the quiet and peaceable possession of the Property, by Grantee, its successors and assigns, against every person who lawfully claims the Property or any part thereof, by, through or under Sand Creek, subject to the Permitted Exceptions, and the covenants, conditions, restrictions and reservations herein contained.

I. EASEMENTS

1. Access Easements. "Access Easements" shall mean easements reasonable and necessary for access to and from the Annexable Area and any other property now or hereafter owned by Mission Viejo Company, a California corporation ("Mission"), and/or Sand Creek.

2. Utility Easements. "Utility Easements" shall mean easements for installation, construction, operation, maintenance, repair and replacement of underground lines and facilities and surface-mounted equipment and appurtenances for utility purposes, including, but not limited to, water, sewer, gas, electricity, telephone and cable television service to serve the Annexable Area and any other property now or hereafter owned by Sand Creek.

3. Drainage Easements. "Drainage Easements" shall mean easements for drainage and for installation, construction, operation, maintenance, repair and replacement of gutters, culverts, underground lines, and other facilities for drainage purposes to serve the Annexable Area and any other property now or hereafter owned by Sand Creek.

4. Annexable Area. "Annexable Area" shall mean all of the real property described on Exhibit B attached to the Community Declaration as hereinafter defined.

5. Community Declaration. "Community Declaration" shall mean the Community Declaration for Highlands Ranch Community Association, Inc., dated September 1, 1981, and recorded September 17, 1981, in Book 421 at Page 924 of the records in the office of the Clerk and Recorder of Douglas County, Colorado and all amendments thereto.

6. Granting of Easements. During the Approval Period, Grantee will, without further consideration, grant Sand Creek, its successors and assigns, Access Easements, Utility Easements and Drainage Easements (together, "Easements") within the Property, to the extent that any facilities or improvements planned for installation within the Easements (the "Improvements") do not unreasonably interfere with any existing or then-planned facilities or improvements within the Property. For purposes of this paragraph, "then-planned facilities or improvements within the Property" shall mean any facilities or improvements of Grantee which are not yet constructed but have been provided for within Grantee's current facilities budget, or which are included in the then current facilities plan of the Grantee, with construction scheduled to commence within two (2) years of the date of submittal of the Plans for such Improvements to the County by Sand Creek as hereinafter provided. Sand Creek shall submit plans for any proposed Improvements ("Sand Creek's Plans") to Grantee no less than nine (9) weeks prior to the commencement of construction, and Grantee shall have six (6) weeks from receipt of Sand Creek's Plans to review and approve them or to notify Sand Creek in writing of Grantee's objections thereto. Grantee's failure to notify Sand Creek of its objections in writing within six (6) weeks of Grantee's receipt of Sand Creek's Plans shall be deemed an approval of Sand Creek's Plans and the Improvements. Notwithstanding the foregoing, prior to the granting of any Access Easements, Utility Easements, or Drainage Easements pursuant to this Section, Sand Creek shall have given written notice of the proposed conveyance to HRCA, as hereinafter defined, at least sixty (60) days prior to the conveyance.

II. RESTRICTIONS AND RESERVATIONS

1. Approval Period. "Approval Period" shall mean the period of time commencing on the date of this Deed and expiring on the date which is two years after the substantial completion of either the residential or non-

residential build out of the Annexable Area, or seventy-five (75) years after the date of this Agreement, which ever occurs first. Upon the expiration of the Approval Period, any approvals, consents or notices which would otherwise be obtained from or delivered to Mission and/or Sand Creek pursuant to this deed shall only be obtained from or delivered to HRCA.

2. Limitation on the Use of the Property. County shall use the Property solely for regional park purposes, including but not limited to irrigated play fields, picnic units, playgrounds, restroom facilities, drinking fountains, non-motorized multipurpose trails, group picnic pavilions and for such other similar purposes (together, the "Park Improvements"), and for the purposes of the Easements as herein provided.

3. Subsequent Conveyances. County shall not convey all or any portion of the Property, including a leasehold interest, to any third party without prior opportunity of Sand Creek and HRCA to review and comment.

4. Approval of Plans. Prior to commencing construction of the Park Improvements, or making any changes, alterations or additions to any Park Improvements, County shall submit a full set of plans for such Park Improvements, and any changes, alterations or additions thereto, to Sand Creek and to the HRCA for their review and comment. County shall submit such Plans to Sand Creek and HRCA no less than sixty (60) days prior to the date that County intends to commence construction, and Sand Creek and HRCA shall have thirty (30) days from the date of receipt to provide the County with their written comments on the Plans. If comments are received by County from Sand Creek or HRCA within such thirty (30) day period, County and the commenting party (or parties) shall meet in good faith to discuss the issues raised by such comments.

5. Covenants to Run with the Property. The covenants, conditions and restrictions contained in this Deed relating to the Property touch and concern the Property, and the burden of such covenants, conditions and restrictions shall run with the Property and bind all subsequent owners of any portion of the Property. The benefit of such covenants, conditions and restrictions shall run to, and such covenants, conditions and restrictions may be enforced by, Sand Creek, any successor to Sand Creek by consolidation or merger, and any other successor, assign or transferee of Sand Creek to the extent that the rights of Sand Creek hereunder are specifically assigned by a written instrument.

IN WITNESS WHEREOF, Sand Creek has executed this Special Warranty Deed the day and year first above written.

SAND CREEK CATTLE COMPANY,
a Colorado corporation

ATTEST:

Assistant Secretary

By _____
Vice President

Recorded at 3:45 O'Clock P.M., OCT 22 1980
Reception No. 258603 CARROLL HIER, Recorder.

OPEN SPACE AGREEMENT

(Highlands Ranch)

This Agreement is made this 24th day of October, 1980 between MISSION VIEJO COMPANY, a California corporation ("Mission") and COUNTY OF DOUGLAS, STATE OF COLORADO ("Douglas County"), acting by and through its Board of County Commissioners.

I. GENERAL.

1.1 Recitals. By resolutions adopted September 17, 1979, Douglas County approved a New Communities Permit for the New Town of Highlands Ranch, approved rezoning of Highlands Ranch as a Planned Community District and approved a Planned Community District Development Guide for the New Town of Highlands Ranch. In the development of the New Town of Highlands Ranch, Mission is required to comply with the Open Space Requirements, as hereinafter defined, which requires that certain percentages of the total area of the New Town of Highlands Ranch shall be open space publicly owned or devoted to community use. Subdivision plats for portions of the New Town of Highlands Ranch will contain areas of Open Space which will be sufficient to satisfy the Open Space Requirements. However, from time to time plats will be presented for a portion of the New Town of Highlands Ranch containing more than the required Open Space, which Excess Open Space may be allocated to other plats which may contain less than the required Open Space. In addition, at the time of filing of a subdivision plat, it may not be known what portions of the Open Space shown on the plat should be publicly owned, what portions of the Open Space should be devoted to community use or which Public Bodies or Community Bodies are willing and able to accept conveyance or dedication of the Open Space.

1.2 Purposes. This Agreement is executed to enable and permit the filing of subdivision plats for the New Town of Highlands Ranch containing more than the Required Open Space or containing less than the Required Open Space; to provide that Excess Open Space contained in one subdivision plat may be allocated to other subdivision plats containing less than the Required Open Space; to assure that the subdivision and platting of the New Town of Highlands Ranch will comply with Open Space Requirements; and to provide Douglas County and Mission with flexibility in determining what portions of the Open Space shown on the plat should be publicly owned, what portions of the Open Space should be devoted to community use, and which Public Bodies or Community Bodies are willing and able to accept conveyance for dedication of the Open Space.

II. DEFINITIONS.

2.1 Open Space Requirements. "Open Space Requirements" shall mean the requirements incorporated in the resolution of the Board of County Commissioners of Douglas County dated September 17, 1979 approving rezoning for the New Town of Highlands Ranch, which requirements provide as follows:

It is understood that open space publicly owned or devoted to community use shall occupy not less than 30 percent of the total area of the Planned Community (6,431 acres constitutes the 30%); with a minimum of 6 percent dedicated to Douglas County which will be used for schools and other public uses. The remaining 24% shall be set aside as functional open space.

The foregoing requirements reflect the open space requirements for a Planned Community District under the Zoning Resolutions of Douglas County which were in effect on September 17, 1979 and shall be applicable notwithstanding the subsequent amendment of the Zoning Resolution of Douglas County to eliminate the Planned Community District category.

2.2 Open Space. "Open Space" shall mean (a) parcels or tracts of land shown on final or preliminary subdivision plats for a portion of the New Town of Highlands Ranch which are specifically designated on the plat, by legend or otherwise, as constituting Open Space subject to this Agreement, and (b) portions of the Nonurban Area shown in the Planned Community District Development Guide for the New Town of Highlands Ranch approved by Douglas County on September 17, 1979, which have been conveyed or dedicated to Public Use or Community Use, except that portion of the Nonurban Area described in the Conservation Easement executed and delivered by Mission to Douglas County dated April 14, 1980 and recorded June 19, 1980 in Book 388 at Page 759 of the records of the Clerk and Recorder of Douglas County, Colorado.

2.3 Public Body. "Public Body" shall mean any governmental or quasi-governmental body including, but not limited to, Douglas County, the Douglas County School District, any Metropolitan District, any Water and Sanitation District, and any Douglas County Law Enforcement Assistance Authority and shall also include any non-profit corporation organized and operated as a building authority to build schools and lease them to the Douglas County School District and any other body or entity which may hereafter be approved as a Public Body for purposes of this Agreement by resolution of the Board of County Commissioners of Douglas County.

2.4 Community Body. "Community Body" shall mean any Public Body and any body or entity organized or operating for the benefit of owners and residents of all or part of the New Town of Highlands Ranch, including, but not limited to, any master homeowners or property owners association organized as an association for all or parts of the New Town of Highlands Ranch, any other homeowners or property owners association organized as an association for a part of the New Town of Highlands Ranch, any private body or entity, including Mission, who agrees, in writing, by recorded document, to take title to Open Space and to own, maintain and operate Open Space for the benefit of owners and residents of all or part of the New Town of Highlands Ranch and shall include any other body or entity which may hereafter be approved as a Community Body for purposes of this Agreement by resolution of the Board of County Commissioners of Douglas County.

2.5 Public Use. "Public Use" shall mean any governmental or proprietary use by any Public Body and shall include, but shall not be limited to, use of Open Space for improved parks, unimproved natural open space, recreational facilities, schools, water treatment plants and facilities, sewer treatment plants and facilities, fire stations, police stations, governmental buildings, roads and other public facilities and uses.

2.6 Community Use. "Community Use" shall mean any Public Use and any use by a Community Body for the benefit of owners and residents of all or part of the New Town of Highlands Ranch and shall include, but shall not be limited to, use of Open Space for green belt strips, medians, slopes and open space, improved or unimproved recreation areas and public or private recreation facilities.

III. COVENANTS AS TO OPEN SPACE.

3.1 Mission Covenant. Mission, for itself, its successors and assigns, hereby covenants and agrees as follows.

3.2 Cumulative Open Space Calculations. At the time of approval by Douglas County of any final subdivision plat, and as a condition precedent to such approval, there shall exist cumulative Open Space (including Open Space as defined in Section 2.2(b)) which shall be equal to at least 30% of the total area shown on a combination of the following: (a) shown on such final subdivision plat; (b) shown on previously recorded and/or pending final subdivision plats; and (c) shown on previously approved preliminary subdivision plats.

3.3 Public Lands. Areas of Open Space, constituting at least 6% of the total area shown on final subdivision plats of Highlands Ranch shall be conveyed or dedicated by Mission to a Public Body for a Public Use.

3.4 Community Lands. Areas of Open Space, constituting an additional 24% of the total area shown on final subdivision plats of Highlands Ranch shall be conveyed or dedicated by Mission to a Community Body for a Community Use or to a Public Body for a Public Use.

3.5 Time for Conveyance or Dedication. Mission, with the approval of Douglas County, acting by its Board of County Commissioners, and with the approval of the appropriate Public or Community Body, shall make conveyance or dedication of portions of Open Space at such time as it is determined what portion of such Open Space should be conveyed or dedicated to such Public Body or Community Body and such Public Body or Community Body agrees to accept conveyance or dedication thereof. At any time from and after five years from the date of recording of a final subdivision plat showing Open Space, if Mission has not conveyed or dedicated sufficient areas of Open Space to a Public Body for a Public Use or to a Community Body for a Community Use to satisfy the Open Space Requirements, Mission, on written demand by Douglas County, shall convey or dedicate to a Public Body designated by Douglas County which is willing to accept the same, and shall convey or dedicate to a Community Body designated by Douglas County which is willing to accept the same sufficient areas of Open Space shown on such plat to satisfy the Open Space Requirements.

3.6 Rights to Use. If rights to use any Open Space are granted to a Public Body or a Community Body, by lease, license or other agreement, such Open Space shall be deemed to have been conveyed or dedicated to such Public Body or Community Body for the period of such lease, license or other agreement. Upon expiration of the period of such lease, license or other agreement, such Open Space may be converted to any lawful use but, if such Open Space is not to be conveyed or dedicated to a Public Body for a Public Use or to a Community Body for a Community Use, Mission shall provide Open Space of equal area if necessary to comply with the Open Space Requirements of Douglas County.

3.7 Excess Open Space. Open Space in excess of the areas required to be conveyed or dedicated to a Public Body for a Public Use or to a Community Body for a Community Use under the provisions hereof, may remain in the ownership of Mission but Mission may, from time to time, convey or dedicate or commit to convey or dedicate all or portions of such Excess Open Space to a Public Body for a Public Use or to a Community Body for a Community Use and shall, upon such conveyance or dedication or such commitment to convey or dedicate, be credited with satisfaction of the Open Space Requirements with respect to other areas of the New Town of

Highlands Ranch which may be or have been platted and developed with the approval of Douglas County.

3.8 Recording of Agreement. This Agreement may be recorded. If recorded, this Agreement shall be deemed to affect any Open Space shown on any final subdivision plat for any portion of the New Town of Highlands Ranch but shall not affect or encumber any portion of the New Town of Highlands Ranch not designated on a final subdivision plat as Open Space subject to this Agreement.

3.9 Reserved Rights of Mission. Mission hereby excepts and reserves the right to create and grant Access Easements, Utility Easements, Drainage Easements and Water Facilities Easements, as hereinafter defined, in, through, over and across Open Space provided that any such easements created or granted shall not unreasonably interfere with the use of Open Space for a Public Use or a Community Use. "Access Easements" shall mean easements for access to and from property. "Utility Easements" shall mean easements for installation, construction, operation, maintenance, repair and replacement of underground lines and facilities for utility purposes, including, but not limited to, water, sewer, gas, electricity, telephone and cable television service. "Drainage Easements" shall mean easements for drainage and for installation, construction, operation, maintenance, repair and replacement of swales, culverts, ponds, lines and other facilities for drainage purposes. "Water Facilities Easements" shall mean easements for drilling, installation, construction, operation, maintenance, repair and replacement of water wells, water transmission lines, and water storage tanks and reservoirs and facilities necessary or desirable in connection with any of the foregoing.

IV. MISCELLANEOUS.

4.1 Successors and Assigns. The terms "Mission" and "Douglas County" as used in this Agreement shall include successors and assigns.

4.2 Effect of Agreement. This Agreement shall be binding upon Mission and shall inure to the benefit of Douglas County.

4.3 No Third Party Beneficiaries. None of the terms or provisions of this Agreement shall be deemed to be for the benefit of any person or party other than Douglas County and only Douglas County shall be entitled to enforce the provisions of this Agreement.

4.4 Amendment. This Agreement may be amended only with the approval of Douglas County, acting by and through its Board of County Commissioners and of Mission.

4.5 Headings for Convenience. The headings and captions herein are for convenience only and shall not be considered in the interpretation hereof.

IN WITNESS WHEREOF, this Agreement is executed as of the day first above written.

MISSION VIEJO COMPANY,
a California corporation

COUNTY OF DOUGLAS, STATE OF
COLORADO, acting by and
through its Board of County
Commissioners

By *James H. Zeff*
Attorney-in-Fact

By *Gene B. Whitman*
County Commissioner

Gene V. P. M. V.G.

By James G. Tropp
Attorney-in-Fact
Esq. U. P. M. V. Co

By Paul A. Wenckler
County Commissioner

By Thomas K. Meyer
Attorney-in Fact

By J. S. Zimmerman
County Commissioner

ATTEST:

By [Signature]
Clerk and Recorder of
Douglas County



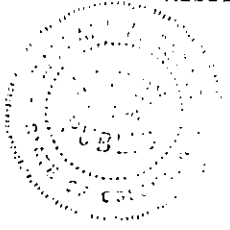
STATE OF COLORADO)
ARAPAHOE) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me
this 20th day of September, 1980, by James G. Tropp
and Thomas K. Meyer as attorney-in-fact
Mission Viejo Company, a California corporation.

WITNESS my hand and official seal.

My commission expires 5/31/81

[Signature]
Notary Public



STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me
this _____ day of _____, 1980 by _____
and _____
as members of the Board of County Commissioners of Douglas
County, Colorado and by _____
as Clerk and Recorder of Douglas County, Colorado.

WITNESS my hand and official seal.

My commission expires _____

Notary Public