

United Associations of Heather Ridge

(UAHR.org)

February 7, 2006 Meeting minutes

7:00 pm - The meeting was called to order by Errol Rowland and introductions were made of those present.

Affiliation	Name	Affiliation	Name
Mayor	Ed Tauer	Double Tree	Sharon Gunderson
City Council	Molly Markert	Double Tree	Jim Gunderson
Aurora Sentinel	JC O'Connell	Fairway 16	Dean Glorso
WHITE, BEAR & ANKELE	Joseph J Lico	Fairway 16	Ed Oswald
Burgundy	Pam Bjerke	Fairway 16	Barry Wallace
Burgundy	Lee Eldredge, CPA	Fairway 16	Ben Barnes
Burgundy	Edie Reidel	Fairway 16	Tom Stadelmann
Burgundy	Errol Rowland	Fairway 16	Rena Rae Birks
Burgundy	Fred Welch	Heather Ridge South	Ed Kay
Chimney Hill	Cathryn (Cathy) Thrash	Heather Ridge South	Gloria Bromfield
Chimney Hill	Terry Moran	Heather Ridge South	LeRoy M Reams
Cobblestone	Margo Plemone	Heather Ridge South	Van Lewis
Cobblestone	Mary Lou Braun	Heather Ridge South	Carol Patterson
Cobblestone Crossing	Jane S Klein	Heather Ridge South	Larry Wagner
Cobblestone Crossing	Libby Toomalatai	Sausalito	Vinny Roith
Cobblestone Crossing	N Gift	Sausalito	Larry Horton
Country Club Ridge	David Brahinsky	Strawberry	Carl Mayfield
Country Club Ridge	Joan Brahinsky-Beldock	Strawberry	Jan Butsch
Country Club Ridge	Sandra Chamnes	Golf Member	

38 UAHR Meeting Attendees February 7, 2006

The agenda was accepted and we unanimously re-affirmed the UAHR Mission. "...to preserve the 18-hole Heather Ridge Golf Course in its current form at a golf course market price". A recent survey among the members of the UAHR concluded the driving range is included as part of "the 18-hole Heather Ridge Golf Course in its current form..." statement. See Addendum A – statement by golf course design consultant Dean Glorso – Fairway 16. Dean Glorso 's signature is on the 1983 Heather Ridge golf course survey.

Minutes of 01/10/2006 were approved and we moved on to the Treasurers report. Cathy Thrash reported the checkbook balance as of the end of January was \$7,981.11. This was after retaining Land Use Attorneys \$5,000 and the fundraiser mailing expenses of around \$800.00. We are just beginning to see the results of the fundraising letter. Donations now bring our account to - approximately - ten thousand dollars. We appreciate the positive response to the fundraising request. The executive board decided not to publish the donation detail and to keep the contributors confidential. A contribution request is available only by appointment and only to UAHR members. Any member may call 303-745-9805 to arrange an appointment to view any specific donation and reconcile it with a bank deposit.

At this point, Mayor Tauer arrived and addressed the group. He stated "... the most important issue you face is communication with accurate information". When money and homes are the issue at hand, rumors will be prevalent. We, as a group, need to find out what is true. We need to ask questions of the proper people. The Planning Committee for the city of Aurora does not,

to his knowledge, have a proposal for the development of the golf course. These are; however, processed by strict guidelines and then sent to a representative of each neighborhood. He was asked questions about the SD and informed UAHR that a SD will pass with a majority vote for the district. One vote can determine the majority. The question was asked. "Is there an offer on the golf course?" Mayor Tauer said it is rumored that there is; however, he does not really know. Questions were raised about the PUD paperwork and zoning. He explained that no matter what the original plan is for an area, new zoning is a possibility. Site plans dictate what can or can not be built. To change a site plan, re-zoning has to take place. He informed the group that zoning changes have regard to "the compatibility of use, not the quality of design". The standards of zoning are established in the City Code. Zoning changes can be made after due diligence by the city council. The discussion with the mayor took approximately 30 minutes. As the mayor was leaving, Errol made the statement to the group and to the Mayor that a meeting between Errol and the owner of the golf course was scheduled for tomorrow February 8. The planned purpose of the meeting is to begin a friendly dialogue working toward resolving the future of the golf course. The Mayor commented his optimistic view of this kind of communication. Thanks to the Mayor for taking the time to come to this meeting.

Accomplishments – Committee Updates

v GMOR – Group Maintenance & Organization of Residents

Sharon and Jim Gunderson

Community Involvement – Neighboring HOAs – Fund Raiser 2/18

Website Suggestions

GMOR REPORT - Sharon Gunderson introduced the plans for fund raising wine tasting gatherings. Edie Reidel reported that these would be held at the Burgundy and Strawberry Clubhouses on Feb. 18 from 3:00 PM - 5:00 PM. Information regarding minimum donation amounts and addresses will be available.

Support from surrounding communities was revisited. These include; Heather Gardens , Ptarmigan, East Ridge and as area from west to Quebec , east Buckley, south to Parker Road and north to Mississippi .

v GCAAG – Golf Course Acquisition Action Group – Ed Oswald

Special District Update -- Joseph J Lico, White, Bear & Ankele, P.C.

Initiative – Referendum

Budget – Vinny Roith

Alternate Funding – Lee Eldridge

GCAAG REPORT – The reason we are moving forward to form a special district is to gain control of the golf course. Purchasing the golf course would offer absolute control. However, in order to buy the golf course we need to negotiate a reasonable price with the owner. Before we are in a position to negotiate a purchase price, we must be formally organized. The best method to become formally organized is to form a special district. Remember our goals of protecting our property values, quality of life and all of the other positive points of maintaining our wonderful open space. There is one more important aspect of forming a special district: Any request to rezone must go through City Council. City Council, through both the Mayor and Council Member Markert, have aided our efforts to form a District and are very aware of our position. As such, this would make any petition to rezone much more difficult. The election will cost us around \$35,000 (see budget in Jan 10, 2006 minutes) to bring this to a vote in the May 2nd election. This election cost and the vote to approve the special district provides us a level of insurance to preserve the 18-hole golf course even before the reasonable golf course price is consummated.

The voters will act on 3 basic questions.

1. Should the electors form a special district? If the answer is yes no more funds are required at this time.
2. Should the special district issue bonds to buy the golf course? Only if and when a reasonable negotiated price to buy the golf course is reached, will the bonds be issued. The District can exist in form with no need to actually act outside of minor house keeping matters.
3. Should the neighborhood be taxed to pay off the bonds? This will only be if a reasonable price is reached from #2 above. Should a tax be assessed, the tax would be applied to the property tax.

Questions regarding the cost/tax of each household can not be determined until a golf course purchase price is determined. The price of the golf course, the assessed value of the homeowners and the number of homeowners involved will dictate the bond amount and interest rate – this will determine the amount assessed against each homeowner. Remember, the City of Aurora has set a maximum of mills that the District can assess at 50. The District cannot (without special exception and circumstances) go above that. The projected revenue and expenses of running the golf course have been carefully looked at by our group overseeing the business plan. The business plan shows golf operations at profit even with the most conservative assumptions. However the business plan is a moot point until a price is negotiated. At this point the requested funds of the neighborhood (\$207- from owners of units on the golf course and \$50- from all other residents) will be all that we anticipate until we are able to negotiate a purchase price. Forming the special district protects us in two ways: **1. Reactive** – Developers will be discouraged to spend the time & the money to deal with a special district – then to proceed to the city for planning and re-zoning. **2. Proactive** – If we can negotiate a fair market price to buy the golf course, it will be ours to have absolute control.

Joe Lico from White, Bear, and Ankele, PC presented an update on the Special District progress. The proposal was brought to the City Council and got formal approval so the vote will take place at the City Council meeting on February 27, 2006. Joe said at this time there is no opposition within the council for approval of the Heather Ridge Metropolitan District. A few legal details are still being ironed out before the 2/27 council vote. He explained that the possibilities for the golf course once the special district is formed. The special district can:

1. Own and manage
2. Lease out
3. Sell

The purpose of a SD is so that people within the district can control the future of the golf course. A government will be formed for those areas that are designated. Once the district is formed, negotiations with the owner may begin for the golf course purchase. Once a price is agreed to, the Special District board of directors may approve issuing bonds and applying tax to the residents within the district. The city of Aurora , obligated to limit any proposed tax, has allowed a mill tax assessment of the land values up to 50 mills. Joe spoke and answered questions for about 30 minutes. Because of our concentration regarding the special district, the Initiative / Referendum issues, previously explored, are on hold.

Vinny Roith discussed the budget and final dollar for the election and Land Use Attorney, Tom Ragonetti, are in the process of being established. Mr. Ragonetti is highly praised as “the best there is”. Errol, at this point, gave recognition to Dean Glorso , Fairway 16, for his assistance with documentation and the

description of the golf course. Dean has donated land surveying work worth thousands of dollars. The survey found of the Heather Ridge golf course was from 1983. Dean signature is on that land survey.

We once again visited alternative funding and Lee Eldridge and Libby Toomalatai are attempting to find funds. They will meet in the near future and decide where we are with this. It is very important we continue to follow up on this area of alternative funding. Finding matching funds or grants can ease the financial commitment for each of us. We seek more volunteers to support Lee, Libby and Lynn Dolan .

v IDAG – Influencing Development Group – Vinny Roith

Current Contact Status – Alternatives

Land Use / Zoning Attorney – UAHR.org 1/23/2006 Retained Otten, Johnson, Robinson, Neff + Ragonetti, PC. - Tom Ragonetti -- Specialists in Colorado zoning and land use.

IDAG REPORT – The city planning department was contacted on Friday, February 3rd. The report was that there is no activity regarding Heather Ridge .

Old Business

To Dos from 1-10-2006 Meeting

Completed items - gather HOA N/A for mailing, Homeowner mailing, SD boundaries, Retained Land Use Attorney
Still to do items – Plan of action for Alternate Funding, Letters to city council & planning committee

New Business

The Aurora City Council will decide to approve the formation of the Heather Ridge Metropolitan District on February 27, 2006. It was discussed whether the UAHR should have a strong attendance at that meeting showing support. Joe Lico suggested there is no council opposition to approval of our special district and thus a strong showing at this meeting was not necessary. The event will be televised on Channel 8 that evening.

Additional discussion was directed to the “rumors” about development of the Clubhouse or the corner of Iliff and Xanadu. We have agreed to support development of a multi-story, multi-function structure at the location of the current clubhouse. Golf member residents have done some research and listed items required to sustain a productive golf course environment. This would include keeping a clubhouse, parking, 60 cart storage area, meeting/banquet rooms, Pro Shop, golf bag storage, golf club repair shop, locker rooms, workout area, restaurant, bar, etc. The total area necessary is 18,000-22,500 square feet. Of course some of this area, for example the workout area, meeting/banquet rooms, could be shared with non golf members.

Joe Lico requested the list of directors for the Heather Ridge Special District. They are:

1. Mary Lou Braun – Cobblestone
2. Lee Eldridge - Burgundy
3. Vinny Roith - Sausalito
4. Errol Rowland - Burgundy
5. Jane Klein - Cobblestone Crossing

Errol mentioned that a committee was formed to contact “friends” of the Country Club. The “friends” will be asked for a donation via a letter. He also extended a thank you to a golf member for the work done in typing the legal descriptions we needed.

To Dos for March 14 Meeting:

1. Alternate Funding - Plan for Action
2. Letters to city council & planning committee
3. Prepare mailing for "friends" of Heather Ridge

Wrap Up – The meeting was adjourned at 8:20pm -- Schedule next meeting 2nd Tues – March 14th

Jane S Klein, Secretary for UAHR, Inc

Addendum A

THE IMPORTANCE OF A DRIVING RANGE OF A GOLF COURSE

By: Dean Glorso – Glorso Mapping Services, LLC - golf course design consultant – Fairway 16

From a revenue point of view, the driving range is probably the most important piece of real estate on the golf course. A good golf pro can make \$100 per hour or better giving lessons on the range. The avid golfer will hit golf balls on his lunch break during the day, even when he does not have time to actually play the course. These are revenue attractions to the potential purchaser of a golf course.

When a golf course dies, the range should be the last portion of property to be victimized by the developer. My experience with Mountain View Golf Course in Denver at Belleview and I-25, is a case in point.

Mountain View was once an 18 hole golf course like Heather Ridge Country Club. Over the years it has been cannibalized by development into its present state. The only reason it has survived this long as a revenue generator is because of the driving range. In the last couple years, the T-Rex project has all but eliminated play on the last 9 holes of this course. It is my understanding that the driving range is still open, and making money for the owner.

To entertain a scenario where Heather Ridge loses the range as one of the first areas of development, would kill any chances of having a thriving golf course business in the future.