

E. Fiscal Sustainability/General Fund Operations

1. The parties' fiscal impact analysis identifies a \$1,203 annual impact per unit to the City's general fund that results from extending City services (general government, streets, transit, fire, police, parks) to Brown Ranch. This deficit is net of revenues the City expects to receive directly or indirectly from the Brown Ranch development.
2. YVHA agrees to reimburse the City to offset the Brown Ranch impact to the general fund on an annual basis. The payment shall be in the amount of \$1,203 per residential unit that has been issued a certificate of occupancy in the Brown Ranch (the "Annual Operating Contribution"). The Annual Operating Contribution shall be payable on January 31 of each year based on the number of units with Certificates of Occupancy or Temporary Certificates of Occupancy as of the previous December 31. The amount of the Annual Operating Contribution shall be adjusted on January 1 of each year in accordance with the Consumer Price Index published by the United States Department of Commerce ("CPI-U") then applicable to Routt County (currently, the Denver-Aurora-Lakewood statistical area).
3. YVHA's obligation to pay the Annual Operating Contribution shall terminate or be reduced if the City imposes a new or increased property tax. In the case of the City imposing a new property tax, the Annual Operating Contribution shall be reduced by the amount of revenue accruing to the City from that property tax from properties in Brown Ranch. In the case of the City imposing an increased property tax, the Annual Operating Contribution shall be reduced by the amount of revenue accruing to the City from the increase in property tax from properties in Brown Ranch.