

Jim and Barbara Gammon

From: Jim Gammon

Attached is a summary of some of my memories from the early days of Ken-Caryl that I was involved in. This was as interesting exercise since it has been over 40 years and my memory was really tested. I am sending a copy to Dennis Carruth who, if he has time, may want to make corrections or additions. I would totally rely on any changes he would want to make.

With regard to your questions regarding my activities before and after Ken-Caryl I will be brief since I doubt that many will be interested.

My wife, Barbara, and I were both born in Oklahoma and met at Oklahoma State University and were married during our final year, 1959 (60 years!). We have 3 children and 5 grandchildren. As an engineer I joined AT&T and was located in several locations and in several positions before being transferred to Denver in 1966. My next transfer would be to either New York or San Francisco and neither appealed to us. Fortunately I was offered a position with Columbia Savings where I spent 4 years in the finance business including financial management for professionals. Dennis first joined me at Columbia. I then left and started my own real estate investment firm with multiple partners and properties. This was the period that I was introduced to the Ranch.

After leaving Ken-Caryl I started my own development company, Jim Gammon and Associates, and began acquiring properties in the downtown Littleton area

(from 10,000 acres to 1,000 square foot lots). There I built and remodeled a variety of properties including LittleTown, Cottonwood Court condos, the 5575 Sycamore office building, Las Casita condos and Hill Street Apartments both on Sycamore. I think both Las Casitas and Hill Street have been renamed.

During this time I became very involved in civic activities and was involved in the merger of the Englewood and Littleton Chambers of Commerce which we called the Centennial Chamber of Commerce of which I was the original President and Chairman. I believe it is now called the South Denver Chamber of Commerce. We also spun off Western Welcome Week from the Littleton Chamber and set it up as its own corporation. I also was appointed to the Denver Chamber of Commerce and became its Vice Chairman. Interestingly, Dick Lamm asked that I chair a Light Rail Study Committee (provided that we were on the same side). The committee after conducting public meetings over many months and substantial research on systems in other locations and countries recommended the type of facilities and original routes that are now in place throughout the metro area.

We moved to California in 1986 where we continued to form partnerships and acquire large properties in the Temecula and Hemet areas. Then we acquired a real estate company in Palm Desert that we operated for a number of years before selling to a large company about 12 years ago. We now live in Marbella Country Club in San Juan Capistrano. Healthy and happy!

Please let me know if you have any questions.

Ken-Caryl Ranch Early Development Summary

September, 2019

Jim Gammon

Background:

My first contact with the Ken-Caryl Ranch was through a former contractor of mine, Lorie-Lotito Advertising and Public Relations firm in Denver. Barry Lorie had referred me to Hugh Blue, a principal with Reactions Corp. of Newport Beach, California. Reactions had been retained by Johns-Manville to plan and execute the development of Ken-Caryl. After several meetings and visits to the Ranch and Newport Beach I was asked, in late 1972, to become the General Manager of the Ken-Caryl Ranch development activities. The Official Development Plan had just been approved by Jefferson County. I have attached two pages of the 100 plus page zoning document including the official map showing types of use, densities and locations, and a list of the land uses and maximum number of units or acres. The approval permitted 6,650 dwelling units on 2,381 acres, 663 acres of commercial, industrial and business, 5,691 acres of recreation and open space and 404 acres of schools and roads totaling 9,139 acres. The project was the largest rezoning case in Colorado history at the time. It was later exceeded by the Mission Viejo Highlands Ranch a few years later.

Status of Property in 1972:

Johns-Manville had recently acquired the property as an answer to the relocation of their World Headquarters from New Jersey as a way of motivating current and future employees. The Denver area and Ken-Caryl specifically was selected through a consulting contract headed by Dick Goodwin who analyzed locations throughout the United States. Following the study and decision Dick was retained and became President of the firm. J-M paid the current owner approximately \$7.5 million.

J-M retained Reactions who they met through a contact with Bill Janss the owner and developer of the Sun Valley ski area as a result of J-M negotiating with Janss to buy and develop Elkhorn at Sun Valley. That introduction, in turn, was by a referral to Janss by Don Bren the current owner of The Irvine Company in Southern California who had worked with Reactions on several large projects. Reactions was a small consulting company headquartered in Newport Beach, California with four principals each with a specific set of skills beneficial to developments, in particular in master planned communities. Jim Murar was an expert in all types of finance and budgeting, Hugh Blue was skilled in engineering, administration and organization, Hal Lynch was creative in architecture, land planning and design and Ed Ettinger had amazing marketing skills honed by many years working directly with Walt Disney. The initial planning and execution of the Ken-Caryl Ranch master plan is to the credit of these four individuals and the consultants they retained.

I was stunned during my first few visits to the ranch by the scope and beauty of the physical property. The property was a little in excess of 10,000 acres which was reduced to 9,139 acres in

the zoning process. The only physical structures that existed at that time were the ranch facilities and cattle operation in the central valley and the Manor House which had recently been restored under the direction of Reactions and with the guidance and photographs provided by the grandchildren of Kent and Carroll Shaffer for whom the ranch was named. I was told by one of the Reactions partners that the house was a derelict when they first visited and actually had cattle in the dining room and rattlesnakes in the basement. The grandchildren were invited to visit when the restoration was completed and were thrilled. The remnant of the Bradford House still existed but was in disrepair.

My early visits were either on horseback or in my 4 wheel drive vehicle. I had a large USGS topographic map of the property with the 10,000 acre boundary shown. I later came to refer to the property as "the beginning of the Rocky Mountains" (West Ranch), "a gorgeous valley dotted with red rocks", and the "plains", literally the beginning of the Great Plains. We were told that the Ranch had every form of flora and fauna that existed in Colorado and after many treks over the property I had to agree. A group from Colorado State University, at our request, removed a large number of rattlesnakes which they used for their venom. The plains were absolutely loaded with groundhogs, which we spent \$200,000 to have removed prior to starting development. We literally had them transferred to an area east of the Cherry Creek reservoir which we thought would be safe for them. I learned much later that when the Pope visited Denver that that was the location they selected so hundreds of thousands of people and cars probably were not good for the groundhogs.

Early Development Issues:

It was always our plan, in addition to the zoning, to develop the major infrastructure (roads, utilities, etc) and sell "master pads" to home builders with all services to their sites which they were to distribute to the homes on their properties. Early negotiations were carried on with Don Bren and his large and extremely successful home building company to develop all of the residential property on the plains and with Don Koll, a major Irvine Ranch industrial developer to develop the business park. Bren concluded that the timing in the early to mid-70s was a bad time for him to move into a new area due to bad economic conditions in the country. It turned out he was right and we deferred our plans for a couple of years. Don, a few years later, was involved in the purchase of the huge Irvine Ranch in Southern California which he still owns to this day.

Shortly after my start with Reactions I hired Dennis Carruth who was extremely instrumental with the physical execution of the master plan throughout the time of my involvement and beyond. He later became personally involved in developments in the business-park as well as areas adjacent to the Ranch where he still maintains an office. During the period, as we waited for the economy to improve, my time was mostly devoted to solving major organizational, infrastructure and offsite issues. Due to the many decisions that needed to be made on a daily basis we formed the Ken-Caryl Ranch Corporation of which I became president as well as a partner in Reactions and Dennis was named Executive Vice President. This afforded us to

move forward with many critical issues including financing without always having to get J-M's approval. We obviously maintained a close relationship with J-M and Dick Goodwin maintained a very close interest in our activities. We also formed The Ken-Caryl Ranch Master Association, The Ken-Caryl Ranch Water and Sanitation District, Ken-Caryl Ranch Architectural Committee, The West Ranch Water District and other entities that were essential to the ultimate governance of the Ranch upon development. Since I was initially the Chairman of each of these entities it became standard practice and standing joke when appearing before the County Commissioners for the chairman to ask me which hat I was wearing before proceeding.

The most critical issues that had to be resolved were obtaining water and sewer services. Multiple drilling and other tests and lack of adequate water rights verified that we must purchase services from off site. That led us to beginning negotiations with the Denver Water Board and an Englewood based sanitation district. These issues were not easily or quickly resolved. First the Denver Water Board was the only source able to provide us with the volume of water needed so we had very little leverage. I spent many, many months meeting with Joe Olgivy, manager of the board, and his staff as well as Bill McNichols, Mayor of the City and County of Denver and his Planning Department. Denver had, and I assume still has, an issue of annexation since they have to annex as a city, a county and a school board plus they were virtually surrounded by incorporated areas. This made it very difficult for them to annex new territory and stymied them from significant growth. I quickly learned that they had a "war room" with a map as to how they would annex Ken-Caryl as a method to provide us with water and, simultaneously, expand their growth opportunities. They were using a little known scheme known as flagpole annexation which theoretically allowed annexation along public rights of way like major roads. Using this as leverage they put up multiple road blocks to providing us with service. As an aside, when this became known a group of residents north of the Ranch formed a group to incorporate the total southwest area including the Ranch. I was able to head this off with a little logic and providing them with some positive thoughts regarding the DWB negotiations and the lack of any other source of water. After many meetings and satisfying all of the requests and arguments made by the water board staff, including helping them in the sale of a major bond issue, the mayor approved the providing of water to Ken-Caryl. I explained their alternative as a press conference we would hold to explain their lack of any rationale for refusing us service.

Since we did not want to build a sewage treatment facility on the property and probably would have had trouble getting one approved I began negotiating with the Englewood district. They too put up multiple obstacles but eventually we were able to structure a deal. We paid for the construction of a major outfall line to their treatment facility that was sized to serve us and future developments to the east.

Other utilities such as power and telephone were much less controversial and difficult and services were provided as needed.

During this period I became aware of the original approval of the circumferential route for I-470 that was originally planned, during the federal approval for interstate highways under Eisenhower, for connecting I-25 and I-70 directly through the Ranch along the Dakota Hogback. Through meetings with the regional office of the Federal Department of Transportation and the

Colorado Highway Department I learned about the history and status of the project. I was told that the highway department was required to submit an Environmental Impact Report to the Federal Highway Administration. This was the first EIR they had prepared and the head of the department was not enthusiastic. It had been submitted to the feds but there had been no response for several years. I then began a series of trips to Washington for meetings with our representatives and with the Federal Highway Administration and Department of Transportation including Drew Lewis and Elizabeth Dole successive Secretaries of the DOT. Finally we discovered that the EIR was held for several years by a staff engineer in the DOT. When asked where it was he replied, "in my desk". When asked why he simply replied, "no one has asked about it". Wow! That started another series of meetings to get the project back on track which moved fairly quickly until Dick Lamm became Governor of Colorado.

Governor Lamm was an early environmental devotee and declared that Colorado needed to slow (or stymie) growth dramatically and immediately canceled all plans for the planned winter Olympics in Steamboat Springs and "drove a silver stake" into the circumferential route for I-470. The process forward became long, complicated and very political. In addition to enlisting the help of as many politicians and groups as possible, I was able to form a group that we called the I-470 task force. Harold Patton the mayor of Greenwood Village and a very articulate and intelligent leader agreed to chair the group. We were also fortunate to enlist the services of many local, state and federal politicians, business people and groups like the Denver Chamber of Commerce. This process became very public and consisted of many public meetings as well as private meetings and activities. During this period Lamm changed the Colorado Department of Highways to the Colorado Department of Transportation and brought in Jack Kintslinger from Pennsylvania to lead it. Jack and I spent many sessions together and he was very logical, knowledgeable and open minded. This finally led to a task force set up by Governor Lamm that included many from our group and others that he chose. After many public meetings the task force came to the conclusion that the highway should go forward and Kintslinger was given the charge to design and implement it. There was much more that needed to be worked out but basically the rest is history. I was asked to emcee the ground breaking for the highway at approximately the location of the I-25 interchange, which was vacant ground at the time. Lamm and other officials were on the dais and the Governor actually spoke in a very positive tone. Following the ceremony and after the press had left Governor Lamm called me over and, with shovels in hand pulled a silver stake out of his coat pocket and said, "Jim let's bury this SOB". I kept that silver stake on my desk for many years until asked to return it for the DOT museum.

An interesting and exciting diversion was when J-M decided to conduct an architectural contest to select the architect for the world headquarters in the valley. I was the coordinator for all county contacts and relationships and was shocked when I saw the Request for Proposal that provided a location for the site that substantially exceeded the area previously approved in the zoning plan. The area extended well into the hillside and beyond a major red rock outcropping that had previously been determined to be one of the more environmentally sensitive areas on the Ranch. Naturally, the plan that was selected sited the building directly in this area requiring a potentially controversial rezoning application. Therefore the entire purpose of J-M relocating might have been in jeopardy. We were able to pull together an incredible team of consultants to

prepare and submit the plan to the county. Again, after many meetings a hearing before the commissioners was scheduled. We brought every consultant and the world reknown architects to the hearing to answer any questions. After our attorney's (Jim Hegarty of Holland and Hart) presentation and my introduction of the consultants, I asked the commissioners if they had questions for anyone. The chairman said, and I quote, "Jim, do you really expect us to question these experts? Let's vote". Three ayes and a lot of relief for our group. Later J-M received a special environmental sensitivity award from the federal government for constructing this building directly in front of an eagles nest in the red rocks near the building. Several eaglets were born and thrived during construction.

Early Development Activities:

The time came to focus on actual on-site development. We sold \$5 million in bonds through the water and sanitation district to finance the initial construction of on and off site facilities to serve the development. Major road construction was also begun in phases including Continental Divide Road and Chatfield and the Ranch House on the plains and the tennis facilities and pool were constructed. We had some fun in naming all the streets in the plains by starting with Continental Divide Road and naming all of streets west of there with names of mountains and peaks west of the continental divide and those east likewise. Also since, we opened the project in 1976 we used the U.S. bicentennial and the Colorado centennial years to provide the address for the ranch house (7676) and the phone numbers for the corporation ending in 1976 and the association 1876. We had good cooperation from the post office department and the telephone company to agree to these requests.

The first site plan approved area was the West Ranch, which in the zoning was referred to as the Highlands Ranch. We changed it to West Ranch after I received a phone call from the current heir of the Phipps family who reminded me that his family had owned what was called the Highlands Ranch for many, many years so we couldn't use that name. This is the same 20,000 acres that the Mission Viejo Company acquired later and exists today as the Highlands Ranch area. After constructing the single road and water service from sources on the West Ranch, the 52 lots were sold over a period of time. One of the first buyers and builders was Wally Schirra one of the original seven astronauts. Development also started with custom lots in the North Valley. The central valley was held off from consideration at the request of Dick Goodwin who wanted to leave that area pristine. This was later sold to Colrad who ultimately completed the development of that area.

Marketing to major homebuilders commenced in the plains and we were fortunate to attract some very high quality and experienced builders. Skufca and Shelton, a local builder, acquired the

custom home lots on the north part of the plains. They built for their own account and sold to custom builders. Likewise we were able to attract the Writer Corporation the most successful and creative builder of planned residential developments in the area to take the large area west of Continental Divide Road. Likewise, a large, successful Southern California Builder, M.J. Brock Company acquired the area south of the Ranch House. Cotter-Orr a fairly new builder in the Denver area acquired the townhouse area on Chatfield. Cotter-Orr after completing about 2/3 of the project got into some financial trouble and I was asked by their investor to complete the project, which I did on a personal basis. Needless to say the Architectural Committee took on huge volumes of work at that time and the physical activity to prepare each area was enormous. Activity also began in the commercial and business park area.

The Ranch House was used for major marketing activities and included a large topographic model of the entire ranch showing the major development areas. It also included an audio visual room with a presentation provided by about 15 35 millimeter projectors coordinated to tell the ranch story. A little more complicated in those days before power point. To draw attention to the area and our new facilities we had a one week tennis tournament to which all were invited. We brought in a well know tennis group that conducted tennis camps and tournaments in Southern California. The Ranch House also housed the corporation offices, the beginning of the associations offices and the tennis pro shop.

Marketing continued by our office and the individual builders. In 1978 after 5 years with the Ranch, I resigned to start my own business and Dennis Carruth became president and a partner in Reactions. His involvement in the early planning and development was huge and he would be able to provide much more detail about that period plus the ensuing periods.

Needless to say I loved my time at the Ranch and appreciate the opportunity to have been involved. On a recent visit I was delighted and proud to see the end result. It is still a beautiful area and I'm sure a wonderful place to live.

ODP BK 2 - 1971

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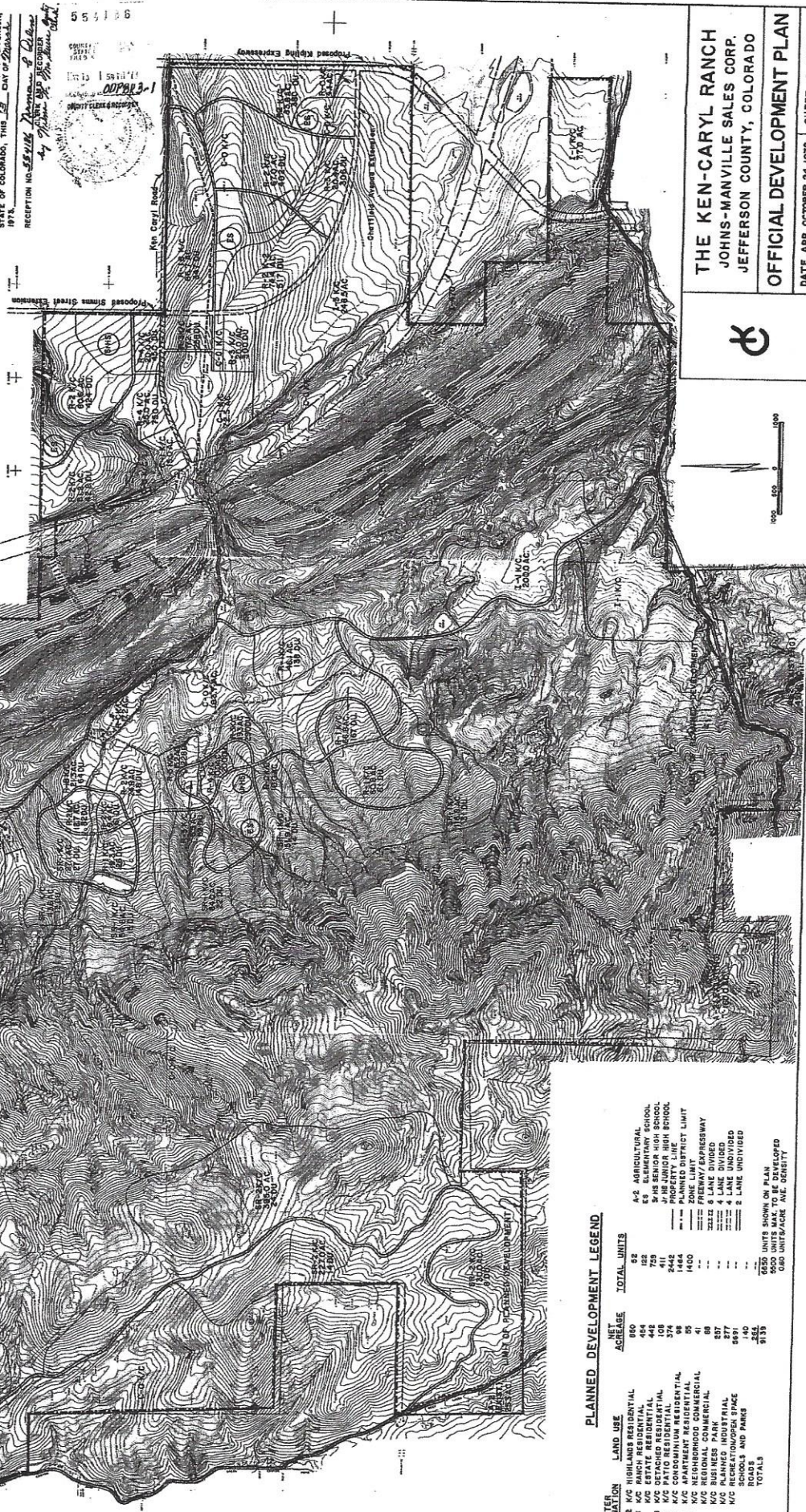
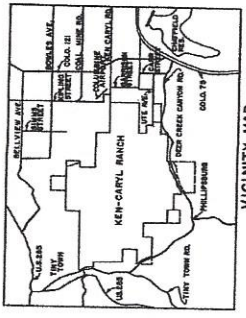
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APPROVALS
 THE OFFICIAL DEVELOPMENT PLAN (SUBMITTERS 1-20) OF THE KEN-CARYL RANCH IS APPROVED AND ACCEPTED BY THE BOARD OF COUNTY COMMISSIONERS THIS 22ND DAY OF OCTOBER, 1978.
 BOARD OF COUNTY COMMISSIONERS

APPROVED BY JEFFERSON COUNTY PLANNING COMMISSION
 SECRETARY: *[Signature]*
 CHAIRMAN: *[Signature]*

ACCEPTED FOR FILING IN THE OFFICE OF THE COUNTY CLERK IN THE COUNTY OF JEFFERSON, STATE OF COLORADO, THIS 22ND DAY OF OCTOBER, 1978.

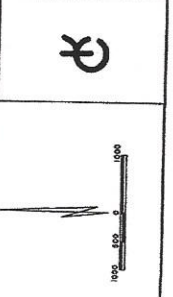
RECEPTION NO. *[Stamp]*
 COUNTY CLERK: *[Signature]*



THE KEN-CARYL RANCH
 JOHNS-MANVILLE SALES CORP.
 JEFFERSON COUNTY, COLORADO

OFFICIAL DEVELOPMENT PLAN

DATE APR. OCTOBER 24, 1972 SHEET 1 OF 10



PLANNED DEVELOPMENT LEGEND

LETTER DESIGNATION	LAND USE	NET ACRES	TOTAL UNITS
SP-2	K/C HIGHLANDS RESIDENTIAL	850	85
SP-1	K/C RANCH RESIDENTIAL	454	122
R-1	K/C DETACHED RESIDENTIAL	108	759
R-2	K/C PATIO RESIDENTIAL	374	2442
R-3	K/C APARTMENT RESIDENTIAL	98	1464
R-4	K/C NEIGHBORHOOD COMMERCIAL	40	1400
S-1	K/C REGIONAL COMMERCIAL	88	88
I-1	K/C PLANNED INDUSTRIAL	837	837
C-0	K/C RECREATION/OPEN SPACE	140	140
	SCHOOLS AND PHASES	215	215
	TOTALS	3135	8135

46250 UNITS SHOWN ON PLAN
 95000 UNITS MAX. TO BE DEVELOPED
 680 UNITS/ACRE AVE. DENSITY

III. OUTLINE OF PROPOSED KEN-CARYL RANCH PLANNED DEVELOPMENT ENERGY

A. PURPOSE AND INTENT

This application for a Planned Development District, which encompasses most of the Ken-Caryl Ranch in Jefferson County, Colorado, is intended to provide a framework for the planning, development, and management of the Ken-Caryl Ranch in a manner consistent with the public health, safety, and general welfare of the community.

B. PLANNED DEVELOPMENT DISTRICT

The Ken-Caryl Ranch is located in the unincorporated area of Jefferson County, Colorado. The Ranch is approximately 6,000 acres in size and is bounded by the State of Colorado to the north and east, and the City of Boulder to the south and west.

C. LAND USE

Table with columns: Land Use, Letter Designation, Net Acreage, and Total Acreage. Includes categories like Residential, Commercial, and Open Space.

D. WATER AND SANITATION SERVICES

The Ken-Caryl Ranch is located in an area that is currently unserved by public water and sewerage systems. The Ranch is situated in a mountainous area with steep slopes and is therefore not served by the municipal water and sewerage systems of the City of Boulder.

E. ZONING

In determining the zoning classification for the Ken-Caryl Ranch, the Board of County Commissioners has considered the existing zoning regulations and the proposed Planned Development District.

F. RIGHTS

The Ken-Caryl Ranch is currently zoned as R-1 Single-Family Residential. The proposed Planned Development District would allow for a variety of other uses, including multi-family residential, commercial, and open space.

G. UTILITIES

The Ken-Caryl Ranch is currently unserved by public water and sewerage systems. The Ranch is situated in a mountainous area with steep slopes and is therefore not served by the municipal water and sewerage systems of the City of Boulder.

H. GENERAL RESTRICTIONS

All structures to be built on the Ken-Caryl Ranch must conform to the minimum standards set forth in this Planned Development District. The minimum standards include setbacks, height restrictions, and other requirements.

I. PLANNING

The Ken-Caryl Ranch is a large and complex development. The Board of County Commissioners has approved a comprehensive planning process to guide the development of the Ranch. This process includes the formation of a planning committee and the preparation of a master plan.

J. GENERAL RESTRICTIONS

All structures to be built on the Ken-Caryl Ranch must conform to the minimum standards set forth in this Planned Development District. The minimum standards include setbacks, height restrictions, and other requirements.

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THE KEN-CARYL RANCH
JOHNS-MANVILLE SALES CORP.
JEFFERSON COUNTY, COLORADO
OFFICIAL DEVELOPMENT PLAN
DATE APR. OCTOBER 24, 1972 SHEET 4 OF 10