

<b>EL PASO COUNTY CONSERVATION DISTRICT</b>		
1.	Recommends where ground is disturbed, it should be mulched or re-vegetated within 45 days of disturbance. Please make sure any native grasses already in place are truly native to the area. If there is no noxious weed control plan in place, we recommend that an integrated weed management program be reviewed and approved.	Noted.
<b>PCD PROJECT MANAGER – SERVICE PLAN COMMENTS</b>		
1.	Executive Summary- Proposed Fees- State what fees are for and amounts or range anticipated.	Revised.
2.	Executive Summary – Will the PIF go into the County Road Impact Fee in addition to it being pledged to the repayment of the bonds?	The PIF will be used to help fund public improvements and the Districts’ operations.
3.	Definitions – Maximum Special Purpose Mill Levy- to clarify: No CCR enforcement is proposed correct?  Is a Special Purpose Mill Levy needed for covenant enforcement and design review?	Covenant and Design Service Review is requested. A Special Purpose Mill Levy is not needed for covenant enforcement and design review. It is anticipated that an HOA will actually provide such services, but the Districts are reserving the right to provide such services if circumstances change.
4.	III.A. No ccr enforcement is requested.	Revised. CCR and design review service power is requested, which is stated in other parts of the Service Plan.
5.	III.B. Add language that multiple districts will allow for the residents to take over control sooner.	Revised.
6.	III.D.1 This needs to be revised. 3 districts proposed. Check adopted service plan language.	Revised to reflect the 3-district structure. This language matches the language in the Service Plan for Flying Horse North Metropolitan District Nos. 1-5.
7.	III.D.2.a. Check language	This language matches the language in the County’s Model Service Plan.
8.	III.E. Will each district have ability to have mill levy 60 mills and max debt.	Yes. VI.C.1 has been revised to clarify that mill levy limit is for each district.
9.	III.E.1 & 2 – Add acquire easements?	Both of these sections already provide the power and authority for the Districts to acquire easements.

		<p>1. <b>Water.</b> The Districts shall have the power and authority to finance, design, construct, <del>acquire</del>, install, maintain, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. The Districts shall have the power and authority to contract with other private or governmental entities to provide any or all of the services the Districts are authorized or empowered to provide. To the extent necessary, the Districts shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction's rules and regulations. It is anticipated that the Districts will construct or cause to be constructed the water infrastructure needed for the Project and will dedicate such infrastructure to Falcon Area Water and Wastewater Authority for operation and maintenance. The Falcon Area Water and Wastewater Authority has provided letters stating that it is willing to provide water and wastewater services to the Project. The Districts are anticipated to enter into an IGA with Falcon Area Water and Wastewater Authority regarding the payment for water rights and for the provision of such services.</p> <p>2. <b>Sanitation.</b> The Districts shall have the power and authority to finance, design, construct, <del>acquire</del>, install, maintain, assess tap or other facility fees, and provide for sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the Districts shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction's rules and regulations. It is anticipated that the Districts will construct or cause to be constructed the wastewater infrastructure needed for the Project and will dedicate such</p>
8.	III.E.4. – Add how many detention ponds will be designed, constructed, owned and maintained.	Only one detention pond is anticipated at this time.
	III.E.5- How many acres/miles of open space, parkland and trails will be owned and maintained by the District?	Revised. It is anticipated that there will be 22.9 acres of open space, parks, and trails.
	<p>III.E.7.- Fire Protection Modify this to include fire hydrants.</p> <p>breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control.</p> <p>modify this to include Hydrants</p> <p>7. <b>Fire Protection.</b> The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate, or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the applicable fire district. The authority to plan for, design, acquire, construct, install, relocate, redevelop, or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.</p>	The language included in the draft Service Plan is the same language that is included in the approved Service Plans for Flying Horse North MD Nos. 1-5 and Sterling Ranch Metropolitan District Nos. 4 & 5. We did not revise this language.
9.	III.E.9. – Covenant Enforcement and Design Review. This is not stated above that the district is requesting this Power under statutory purposes or need for District. Which District will do this? Are you proposing covenant enforcement in County ROW? Are there additional HOA dues? This must be addressed in Plan as it is a topic of discussion amongst the BOCC; also correct letter of intent.	<p>It is anticipated that an HOA will provide covenant enforcement and design review services. However, the Districts would like to reserve these powers.</p> <p>If the powers are exercised, it is anticipated that District No. 1 will be responsible for covenant enforcement. It is not anticipated that the District will engage in covenant enforcement in the County ROW.</p> <p>It is not anticipated that additional fees will be charged for covenant enforcement.</p> <p>There is no need to add a Maximum Special Purpose Mill levy.</p>
10.	III.E.12. – Section below is not in Model Service Plan. Remove.	This language was included in the Service Plans for Flying Horse North Metropolitan District Nos. 1-5. and Sterling Ranch Metropolitan District Nos. 4 and 5, which were approved, however we removed this language as requested.

	<p>12. General. Because the overall development remains in its infancy, some of the specific services and potential overlapping service providers have yet to be determined. Based on current information, it is anticipated that the Districts will ultimately utilize other service providers to provide water, sanitary sewer, and fire protection services once the necessary improvements have been constructed. More information can be provided once determined and known. Further, to the extent any of the above-referenced facilities, improvements, and services are dedicated to and accepted by the County, the County shall own, operate, and maintain such accepted facilities and related improvements. The Districts shall be authorized to own, operate, and maintain any facilities.</p> <p>This is not in Service plan model or policy please remove 10 DE 8714773.1</p>	
11.	III.J.2 – Remove paragraph regarding the Town of Monument.	Removed.
	III.J.4- Add the following language: “However District is authorized to do so, if adjacent development occurs.”	Revised.
	IV.B. Is it correct that project buildout will be at the end of 2028? The preliminary plan is not approved. Plats still need to be approved. No infrastructure exists nor is design approved.	Construction in District Nos. 2 and 3, the residential districts, will be completed in 2028 and construction in District No. 1, the commercial district, will be completed by the end of 2030. All references to full project buildout are now to the end of 2030.
	IV.B. Request for an exhibit of the location of the home values would be helpful to address PC questions that have been asked lately.	A sketch plan will be uploaded to EDARP which shows the location of various types of properties.
	IV. C. Development Phasing and Absorption rate seems early and fast since its June 2024. No designs are approved. No construction has begun.	DA Davidson relied on information from the Developer. DA Davidson reviewed multiple recently completed market studies for other comparable projects in El Paso County and determined that the assumptions for residential and commercial development included in this financing plan align with the recommendations included in those studies.
	IV.D. Status of Underlying Land Use Approvals. Ms. Parsons indicated that the land use application will be considered in August or September.	Revised to remove specific months that the land use application will be considered in order to provide flexibility for schedule changes.
	V. Infrastructure Summary. Please justify why 50 + million max debt limit is requested if District will only finance \$19,000,000. VI.B. District will own/finance 42% of costs of improvements. What is the need for \$50,000,000 debt. Developer payback? VI. E. If 42% is being district funded of the total improvements it sounds like developer	The Service Plan has been revised as follows:  “The total costs of the Public Improvements are estimated to be approximately \$45,825,470, in year 2024 dollars. It is estimated that the Districts will finance approximately \$36,522,400

	<p>finding is very likely. Please be prepared to discuss at PC and BOCC.</p>	<p>(or approximately 79.7%) of this estimated amount, but the amount ultimately financed by the Districts will be subject to the Maximum Authorized Debt limit.”</p> <p>*We calculated the 79.7% as follows:</p> <ul style="list-style-type: none"> <li>• The Financial Plan indicates that the Series 2026 Bonds and the Series 2036 Bonds will result in a total of \$36,522,400 for the project fund.</li> <li>• \$36,522,400 is 79.7% of \$45,825,470.</li> </ul> <p>It is anticipated that the Developer will provide the remaining funding for the public improvements.</p>
	<p>Also, what is the inflation percentage over actual costs if buildout is 3 years. This has been a topic at hearings.</p>	<p>The cost estimates do not include an inflation percentage.</p>
	<p>VI. C. Maximum Mill Levies. Verify no special purpose mill levy of 5 mills for CCR.</p>	<p>No special purpose mill levy is being requested.</p>
	<p>VII.A. Is this going into County Road Impact Fee PID too?</p>	<p>As stated above, the PIF will be used to help fund public improvements and the Districts’ operations.</p>
	<p>Page 21. The creation of a Citizens Advisory Council may come up at hearing.</p>	<p>Noted.</p>
	<p>Exhibit A-3 Proposed infrastructure and Amenities Map. Open space park drainage map; water wastewater infrastructure map; roadway map; the cds are too busy and confusing to be an exhibit. We don’t see that typically.</p>	<p>An updated exhibit is attached to the Service Plan.</p>
	<p>Recommends an exhibit showing the range of houses since critical to finance plan.</p>	<p>A Sketch Plan will be uploaded to EDARP.</p>
	<p>Exhibit B. Development Summary. 3-year build out seems very aggressive. What study was used to determine this?</p>	<p>Please see the comment below regarding comps.</p>

**DA DAVIDSON LETTER**

<p>Is the average price per square foot [for commercial] modeled at \$335 per foot Falcon market pricing or Denver? What market study was used to determine values and buildout for residential and commercial? Is commercial value appropriate in Falcon at that SF \$ amount?</p>	<p>An updated letter will be uploaded to EDARP.</p> <p>A document will also be updated to EDARP that was prepared by DA Davidson which shows Commercial Assessed Value Comps, Surrounding Mill Levy Comps, Facility Fee Comps, and Add-On PIF Comps.</p> <p>The document includes a summary of average real and personal property values for comparable commercial properties in Falcon. These properties have an average value of just under \$500 per square foot. Their assumption of \$335 per square foot is well below this average and should be viewed as a conservative estimate of value for this financing plan.</p> <p>The DA Davidson document also includes:</p> <ul style="list-style-type: none"><li>• Mill Levy Comps – The mill levies are in line with the debt service and operations mill levies in other recently approved El Paso County metro districts.</li><li>• Facility Fee Comps – The proposed facility fees re also in line with other recently approved metro districts. The facility fees would be imposed in addition to the add-on PIF the developer is contemplating (this is noted in the letter).</li><li>• Add-On PIF Rate – The developer anticipates applying a 1.00% add-on PIF to all taxable sales in these districts. That is at the lower end of other districts in El Paso County who are applying an add-on PIF to taxable sales. For these projects, the add-on PIF rate ranges from 1.00% to 1.50%.</li></ul>
---	---

		The assumptions used in the financing plan reflect information provided on behalf of the Developer and, while D.A. Davidson has not fully verified the accuracy of these assumptions, it has completed research relating to commercial values that has indicated that those values are reasonable. In addition, it has reviewed multiple recently completed market studies for other comparable projects in El Paso County and the assumptions for residential and commercial development included in this financing plan align with the recommendations included in those studies.
	Add a statement indicating whether the facility fee is in addition to a PIF.	Revised.
<b>EPC PROJECT MANAGER LETTER OF INTENT COMMENTS</b>		
1.	A. – Add CCR enforcement, television relay, mosquito control (make sure this is consistent with definitions and statutory power in Service Plan.	Revised
2.	A. – Add % of district buildout [for Sterling Ranch District Nos. 1-5] and that it would extend developer control which another reason not practical.	Revised.
3.	B. – Clearly identify each districts purpose, size and intended debt and mill max.	Revised.
4.	C.- Somewhere discuss PIF. Facilities fees and how what is proposed is consistent with others in Area.	Revised
5	E.1- Verify all statutory purposes in Service Plan are included. CCR? If CCR identify why benefit for District to control not an HOA. Is District going to be enforcing in County ROW?	The Districts are reserving the right in the Service Plan to provide covenant enforcement and design review services. However, it is anticipated that a homeowners association will provide such services in lieu of the Districts. If the Districts provide covenant and Design Review Services, they will not be enforcing in the County ROW.
6	E.1- Did Sterling provide a letter stating they can't provide?	Yes. The letter will be uploaded with the second submittal.

7	E.2- Include some of the high dollar expenses that benefit the overall community as need and justification. Eg. Briargate Parkway; large detention pond, trails, etc.	Revised.
8	E.4. Update based on comments in service plan.	We did not revise this section because no comments in the Service Plan require that this section be revised.
9	E.5. Central water huge benefit vs. individual wells- east west road corridor- detention pond, trails etc.	Revised.
10	Timing of developer control to be given to residents- please discuss for each district.	Revised.