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PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
 CRAIG DOSSEY, EXECUTIVE DIRECTOR

TO: El Paso County Planning Commission
 Brain Risley, Chair

FROM: Kari Parsons, Planner III
 Craig Dossey, Executive Director

RE: Project File #: ID-20-001
 Project Name: Crossroads Metropolitan District Nos. 1-2
 Parcel Nos.: 54080-07-005, 54080-01-029, 54080-01-034, 54080-01-008,
 54080-01-042, 54080-01-041, 54080-01-050, 54080-01-033, 54080-01-
 032, 54080-01-051, and 54080-01-052

APPLICANT:	REPRESENTATIVE:
The Equity Group, LLC 90 South Cascade Avenue Colorado Springs, CO 80903	Spencer Fane, LLC Pat Hrbacek P.C. 2154 E. Commons Avenue, Ste 2000 Centennial, CO 80122

Commissioner District: 2

Planning Commission Hearing Date:	10/01/2020
Board of County Commissioners Hearing Date:	10/13/2020 and 10/27/2020

EXECUTIVE SUMMARY

A request by The Equity Group, LLC, for approval of a Colorado Revised Statutes Title 32 Special District service plan, with a multiple district configuration, for the Crossroads Metropolitan District Nos. 1-2. The parcels proposed for inclusion into the Districts total 70.46 acres and are located along both the north and south side of Highway 24 at the intersection with Highway 94, and are within Section 8 Township 14 South, Range 65 West of the 6th P.M. The properties are not included within a small area plan. The applicant is proposing the following: a maximum debt authorization of \$52 million, a debt

service mill levy of 50 mills for commercial, and an operations and maintenance mill levy of 10 mills, for total maximum combined levy of 60 mills. The statutory purposes of the Districts include the provision of the following: 1) street improvements and safety protection; 2) design, construction, and maintenance of drainage facilities; 3) design, land acquisition, construction, and maintenance of recreation facilities; 4) mosquito control; 5) design, acquisition, construction, installation, and operation and maintenance of television relay and translation facilities; 6) covenant enforcement; and 7) design, construction, and maintenance of public water and sanitation systems.

Title 32 of the Colorado Revised Statutes grants extensive powers and authorities to special districts, such as the power of perpetual existence, the ability to incur debt, the ability to charge fees and adopt ad valorem mill levies, and the ability to perform covenant enforcement and design review. With that said, the applicant has decided to expressly limit the Districts' authorities under state statute with respect to the ability to exercise eminent domain powers by stating the following in the proposed service plan:

"The District may exercise the power of eminent domain or dominant eminent domain only as necessary to further the clear public purposes of the District.

The power of eminent domain and/or dominant eminent domain shall be limited to the acquisition of property that the District intends to own, control or maintain by the District or other governmental entity and is for the material use or benefit of the general public. The term 'material use or benefit for the general public' shall not include the acquisition of property for the furtherance of an economic development plan, nor shall it include as a purpose an intent to convey such property or to make such property available to a private entity for economic development purposes. The phrase 'furtherance of an economic development plan' does not include condemnation of property to facilitate public infrastructure that is necessary for the development of the Project."

Staff is proposing Recommended Condition of Approval No. 3 below, which requires prior approval by the Board of County Commissioners at an open and public hearing before the Districts can exercise eminent domain powers.

If it is determined that the request complies with the El Paso County Land Development Code, the adopted El Paso County Special District Policies, and the criteria within the Colorado Revised Statutes for a Title 32 Special District Service Plan, and if a motion for approval is made, then staff recommends including the Recommended Conditions and Notations identified in Section C below.

A. PLANNING COMMISSION SUMMARY

Request Heard:

Recommendation:

Waiver Recommendation:

Vote:

Vote Rationale:

Summary of Hearing:

Legal Notice:

B. REQUEST/WAIVERS/AUTHORIZATION

Request: A request for approval of a Colorado Revised Statute Title 32 Special Districts service plan with a maximum debt authorization of \$52 million, a debt service mill levy of 50 mills for commercial, and an operations and maintenance mill levy of 10 mills, for a total maximum combined mill levy of 60 mills for commercial. The statutory purposes of the Districts include the provision of the following: 1) street improvements and safety protection; 2) design, construction, and maintenance of drainage facilities; 3) design, land acquisition, construction, and maintenance of recreation facilities; 4) mosquito control; 5) design, acquisition, construction, installation, and operation and maintenance of television relay and translation facilities; 6) covenant enforcement; and 7) design, construction.

Authorization to sign: N/A

C. RECOMMENDED CONDITIONS AND NOTATIONS

It is noted that the majority of the conditions essentially paraphrase existing language in the service plan and formalize them as conditions.

CONDITIONS OF APPROVAL

1. As stated in the proposed service plan, the maximum combined mill levy shall not exceed 60 mills for any commercial property within the Crossroads Metropolitan District Nos. 1-2, with no more than 50 mills devoted to commercial debt service, no more than 10 mills devoted to operations and maintenance, and unless the Districts receive Board of County Commissioner approval to increase the maximum mill levy.
2. As stated in the attached service plan, the maximum authorized debt for the Crossroads Metropolitan District Nos. 1-2 shall be limited to \$52 million

until and unless the Districts receive Board of County Commissioner approval to increase the maximum authorized debt.

3. The approval of the service plan for the Crossroads Metropolitan District Nos. 1-2 includes the ability of the Crossroads Metropolitan District Nos. 1-2 to use eminent domain powers for the acquisition of property to be owned, controlled, or maintained by the Crossroads Metropolitan District Nos. 1-2 or another public or non-profit entity and is for the material use or benefit of the general public. The Districts may not use the power of eminent domain without an approval by the Board of County Commissioners at a publicly noticed hearing that the use of eminent domain is necessary in order for the Crossroads Metropolitan District Nos. 1-2 to continue to provide service(s) within the Districts' boundaries and that there are no other alternatives that would not result in the need for the use of eminent domain powers.
4. As stated in the attached service plan, future annexation of territory, excluding the adjacent City of Colorado Springs owned property (schedule nos. 54080-07-005, 54080-02-003, 54080-02-002, and 54080-02-014) proposed to be a recreational park, under by the Crossroads Metropolitan District Nos. 1-2 (any territory more than five (5) miles from any District boundary line) shall be considered a material modification of the service plan and shall require prior approval by the Board of County Commissioners.
5. The Crossroads Metropolitan District Nos. 1-2 shall provide a disclosure form to future purchasers of property in a manner consistent with the approved Special District Annual Report form. The developer shall provide written notation on each subsequent final plat associated with the development of the annually filed public notice. County staff is authorized to administratively approve updates of the disclosure form to reflect current contact information and calculations.
6. The Crossroads Metropolitan District Nos. 1-2 are expressly prohibited from creating separate sub-districts except upon prior notice to the Board of County Commissioners, and subject to the Board of County Commissioners right to declare such creation to be a material modification of the service plan, pursuant to C.R.S. § 32-1-1101(1)(f)(I).

7. As stated in the attached service plan, approval of the proposed service plan hereby gives the Crossroads Metropolitan District Nos. 1-2 the express authority of covenant enforcement, including the imposition of fees for such enforcement without the additional 5 mills.
8. As stated in the attached service plan, the Crossroads Metropolitan District Nos. 1-2 shall not have the authority to apply for or utilize any Conservation Trust ("Lottery") funds without the express prior consent of the Board of County Commissioners. The Districts shall have the authority to apply for and receive any other grant funds, including, but not limited to, Great Outdoors Colorado (GOCO) discretionary grants.
9. Approval of this application shall not constitute relinquishment or undermining of the County's authority to require the developer to complete subdivision improvements as required by the Land Development Code and Engineering Criteria Manual and to require subdivision improvement agreements or development agreements and collateral of the developer to guarantee the construction of improvements.
10. Any future proposed development of the subject parcels will require approval of a map amendment (rezone), preliminary plan and final plat(s), and such final plat(s) must be recorded prior to undertaking land disturbing activities, unless approval a pre-development site grading request is granted by the Board of County Commissioners at the preliminary plan stage or as a separate, stand-alone request.
11. The Crossroads Metropolitan District Nos. 1-2 shall not be authorized to issue debt until and unless the underlying zoning for the proposed Crossroads development is approved by the Board of County Commissioners.
12. A material departure from the land use assumptions identified in this service plan shall require an amendment(s) to the service plan.

NOTATIONS

1. Approval of this service plan shall in no way be construed to infer a requirement or obligation of the Board of County Commissioners to approve any future land use requests within the boundaries of the Districts.
2. Any expansions, extensions, or construction of new facilities by the Crossroads Metropolitan District Nos. 1-2 will require prior review by the

Planning and Community Development Department to determine if such actions are subject to the requirements of Appendix B of the Land Development Code, Guidelines and Regulations for Areas and Activities of State Interest (a.k.a. "1041 Regulations).

D. BACKGROUND AND STATUS OF LAND USE APPROVALS

The parcels proposed for inclusion into the Districts total 70.46 acres and are located along both the north and south side of Highway 24 at the intersection with Highway 94. The parcel proposed to be included within the Crossroads Metropolitan District No. 1 and located north of highway 24 is zoned CR (Commercial Regional); no rezone (map amendment) request is anticipated. The parcels proposed to be included within the Crossroads Metropolitan District No. 2 are located south of Highway 24, north of Highway 94, and west of Marksheffel Road are zoned CR (Commercial Regional), M (Industrial-Obsolete), I-2 (Industrial), with CAD-O (Commercial Airport District- Overlay). A rezone (map amendment) application for those parcels zoned M and I-2 to the CR zoning district is anticipated to be submitted in September 2020. A preliminary plan for this area within the proposed District No. 2 is also anticipated to be submitted in Fall of 2020.

An additional inclusion area of 19.6 acres located at the western boundary of District No. 2 may be proposed within the Crossroads Metropolitan District No. 2, which is owned by the City of Colorado Springs. The applicant is currently negotiating a long-term lease with the City of Colorado Springs for a proposed sports park. The applicant has provided correspondence that the terms of the lease require the formation of the Crossroads Special District Nos. 1-2.

As stated above, a portion of the area to be included within the Service Plan area is not presently zoned for the proposed use(s) identified within the service plan. Additionally, no preliminary plan or sketch plan has been submitted to provide additional detail to allow staff and the Board of County Commissioners to adequately analyze the financial plan to determine if the debt may be paid off as proposed. For this reason, the applicant provided a conceptual layout which provides details regarding how they anticipate this area to be developed (see pages 13-14 of the applicant's letter of intent). This conceptual layout is what the applicant and staff utilized to determine the anticipated debt payoff schedule. The conceptual layout depicts approximately 31 acres north of Highway 24, to be placed in District No. 1 inclusively, and approximately 44 acres south of Highway 24, to be placed in District No.2 inclusively, and conceptually depicts the following: 6 acres of detention area; 68 acres of commercial (373,000

commercial building square-feet); and 0.76 acres of public right-of-way. The additional inclusion area of 19.6 acres is depicted on the conceptual layout as a sports park; however, the land use is not included in the land use table on the conceptual layout. A rezone and preliminary plan are anticipated to be submitted for the proposed development area south of Highway 24 in September 2020. The applicant has not indicated when a preliminary plan is proposed to be submitted for the development area north of Highway 24. Subsequent map amendment(s), preliminary plan(s), and final plat(s) are required to initiate the land uses proposed within the special district area.

A water will serve letter was submitted in support of the Crossroads Metropolitan District Nos. 1-2 application and is attached to this report (page 10 of the applicant's letter of intent). The Cherokee Metropolitan District has indicated they have available water supply capacity to provide adequate water service to the development within the Crossroads Metropolitan District Nos. 1-2 area. The letter states that the water need for the uses depicted in the conceptual layout is 116.3 acre-feet of water per year. Cherokee Metropolitan District has proposed to have available wastewater service capacity to serve the development.

E. APPLICABLE RESOLUTIONS:

Approval Page: 37

Disapproval Page: 38

F. STATUS OF MAJOR ISSUES

No major issues remain with the proposed service plan. The service plan is consistent with the Board of County Commissioners' June 2007, Special District Policies and with the requirements for use of a Multiple District Model Service Plan. The applicant has sufficiently addressed all of the issues identified by staff through the review and resubmittal process.

G. APPROVAL CRITERIA

1. STATUTORY COMPLIANCE

The following is a summary of staff's analysis of the compliance of this request with the standards and criteria in Section 32-1-203(1) of the Colorado Revised Statutes.

Required findings

I. Sufficient existing and projected need

The conceptual drawing submitted in conjunction with this request includes 6 acres of detention area; 68 acres of commercial; and 0.76

acres of public right-of-way. A regional connection of Meadowbrook Parkway to Peterson Road is anticipated to be required with this development. The extension of Cherokee Metropolitan District's existing water and wastewater infrastructure under Highway 24 and under Highway 94 are also anticipated to be required to serve the development.

The applicant is currently negotiating a long-term lease with the City of Colorado Springs for an additional inclusion area totaling 19.6 acres. Crossroads District No. 2 would be responsible to develop the infrastructure necessary to facilitate the sports park pursuant to the formation of the District. The applicant's service plan (page 12) notes that the additional inclusion area is subject to City Council approval prior to inclusion into Crossroads Metropolitan District No. 2. The applicant identifies (page 14) that the City is requiring formation of the Districts prior to the finalization of the long-term lease contract.

The applicant is required to submit applications for approval of a map amendment (rezone) from M and I-2 to a zoning district(s) that will allow for the proposed development. Approval of preliminary plan(s) and final plat(s) will also be required, and the final plat(s) will need to be recorded prior to initiation of those uses and densities identified in the conceptual layout.

Approval of development applications which would result in development of the lots, streets, drainage improvements, and trails, along with platting and providing ongoing maintenance of the associated open space tracts, trails and drainage improvements establishes sufficient need for the proposed Crossroads Metropolitan District Nos. 1-2. The subject parcels require approval of the above applications prior to development.

II. Existing service is inadequate for present and projected needs

Cherokee Metropolitan District is currently providing water and wastewater services to the developed areas adjacent to the subject area, north of Highway 24. The subject parcels are located within the boundaries of the Cherokee Metropolitan District. Cherokee Metropolitan District is proposed to provide water and wastewater services to future development; however, no water or wastewater infrastructure exists at this time to serve the area south of Highway 24,

north of Highway 94, and west of Marksheffel Road. The infrastructure is proposed to be extended under Highway 24 and under Highway 94 to serve the development area. The applicant states in their letter of intent and in the proposed service plan that it would not be financially feasible for Cherokee Metropolitan District, or Meadowbrook Crossing Metropolitan District to finance construction of the public improvements, needed to serve the Crossroads development due to the additional debt the districts would incur and their limited debt capacity.

The creation of the Crossroads Metropolitan District Nos. 1-2 isolates the costs of the necessary infrastructure to the Crossroads development.

There is no physical connection of Cherokee's infrastructure from the area south of Highway 24, north of Highway 94, and west of Marksheffel Road that could be used to serve the proposed development within the proposed Crossroad Metropolitan District No. 2. The applicant has provided a map of Cherokee's existing water and wastewater infrastructure (page 11 of the letter of intent). The proposed Crossroads Metropolitan District Nos. 1-2 will need to extend these services under Highway 24 and under Highway 94 and into the proposed development. After construction, the wastewater infrastructure is anticipated to be dedicated to the Cherokee Metropolitan District for ownership and ongoing maintenance.

The incorporated boundaries of the City of Colorado Springs are southerly and southeasterly adjacent to Crossroads Metropolitan District 2. However, the subject area is within the Cherokee Metropolitan District service area, not the service area of Colorado Springs Utilities. The applicant has not requested, nor is anticipated to request annexation into the City of Colorado Springs at this time. Cherokee Metropolitan District has physically and financially planned for this area to be developed within the Cherokee Metropolitan District service area. There is no public entity available that has suitable debt capacity and the capability to construct and maintain the required water and wastewater infrastructure, street and safety improvements, drainage facilities, covenant control, mosquito control, and recreation facilities.

III. District is capable of providing economical and sufficient service

The applicants financial plan summary prepared by DA Davidson assumes a cost per commercial square footage range based on the conceptual drawings provided in the service plan using 2020 rates, an assessment year. The financial plan summary is independent of each of the Crossroad Metropolitan Districts. The financial plan summary projects District No. 1 value rates as a range from pharmacy at \$104.00 per square foot to retail at \$533.00 per square foot in District No. 1. A value range in the base price of the commercial square footage from big box stores at \$43.00 per square foot to retail at \$308.00 per square foot is predicted for District No. 2 in the DA Davidson financial plan summary. A 30-year debt service is proposed, which is a typical limitation (as noted in EPC Financial Services email comments). Pursuant to the analysis and conclusions within the Districts' financial plan, a summary of which is included as Exhibit D of the service plan, the Districts propose to provide services within the service area in an economic and sufficient manner.

IV. Financial ability to discharge proposed indebtedness

The Districts' financial plan indicates that the Districts would have the ability to discharge the proposed indebtedness pursuant to the commercial land use set forth in the conceptual layout provided in the applicant's letter of intent (pages 13-14), if approved. It is important to note that the plan relies upon a development build-out schedule beginning in 2022 and ending in 2025. The applicant is assuming that full build-out will capitalize on the growing need for commercial land uses created by the accelerated growth rate for single-family homes in the region. The service plan states,

“There is no way to accurately predict absorption due to variables such as the economic factors, housing demand, land use approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement.”

Furthermore, a recent *Metrostudy* report focused on anticipated annual closings in the Colorado Springs market suggests that the number of annual closings over the next 10 years are anticipated to be approximately 3,500 units per year. In 2019, there were 3,515

annual starts of single-family detached and attached new home starts and 3,536 new closings in the Colorado Springs market. Assuming the *Metrostudy* report is accurate, the single-family home growth in the region may result in more availability of laborers (growing workforce), which is likely to support commercial development in this area of the County, which may be anticipated to support the absorption rate proposed in the financial summary plan.

Assuming a direct correlation between the residential growth and commercial growth, the applicant's anticipated build-out schedule, and absorption rate appear to be consistent with the current market trends.

Discretionary findings

The following findings are discretionary on the part of the Board of County Commissioners:

I. Adequate service is not or will not be available through other sources

The area proposed to be included within Crossroads Metropolitan Districts Nos. 1-2 is located within the boundaries of Cherokee Metropolitan District. Cherokee Metropolitan District has committed to serve water and wastewater service if the infrastructure is extended by the proposed Districts. The Crossroads Metropolitan District Nos. 1-2 are anticipated to extend services from the current terminus' at Meadowbrook Parkway and south of Highway 94, to the proposed Crossroads development south of Highway 24 and north of Highway 94. After construction, the water and wastewater infrastructure within the Crossroads development is anticipated to be dedicated to the Cherokee Metropolitan District for ownership and ongoing maintenance.

There is no public entity available that has available debt capacity and is capable of constructing the required water and wastewater infrastructure.

The other proposed services can be provided without the creation of the new Districts. The developer could construct the necessary infrastructure (roadways, sidewalks, drainage facilities, parks and open space areas, etc.) and create a business owners' association that would be responsible for the ongoing maintenance of the open space areas and permanent water quality features (detention ponds). Staff does

acknowledge, however, that the desire to secure upfront financing to construct the proposed infrastructure and the need to generate ongoing funds to support maintenance efforts are traditional reasons for forming special districts.

II. Facility and service standards compatible

Any public facilities to be constructed and dedicated to El Paso County will need to meet the applicable El Paso County standards.

III. Compliance with the Master Plan

A finding of general conformity with the El Paso County master plan, including the El Paso County Policy Plan (1998), El Paso County Water Master Plan (2018), is recommended as discussed below.

a. El Paso County Policy Plan

The El Paso County Policy Plan (1998) has a dual purpose; it serves as a guiding document concerning broader land use planning issues and provides a framework to tie together the more detailed sub-area elements of the County Master Plan. Relevant policies are as follows:

Goal 14.1

Recognize and promote the essential role of special financing districts in the provision and maintenance of public facilities and services in unincorporated areas.

The BOCC has adopted policies and procedures to provide a framework for the evaluation of applications for new, amended and updated special district service plans as authorized by Title 32 of the Colorado Revised Statutes. The applicant has submitted a draft service plan in support of the formation of special districts in accordance with these provisions.

Policy 14.1.3

Discourage the use of special districts as a vehicle to fund substantial amounts of required infrastructure in predominantly undeveloped areas and require the conservative phasing of infrastructure construction during the initial phases of development.

The service plan proposes a maximum indebtedness of \$52 million. The proposed public improvement costs are estimated at \$45,500,000.00 (year 2020 dollars). The phasing of the subject development includes extensions of water and wastewater services, design and construction of principal arterials and collectors to include a planned extension of the Meadowbrook Parkway from the current terminus with Highway 94 to an intersection with Peterson Road to the west. The surrounding area to the south and west are not developed; the areas to the south and west are limited to well and on-site wastewater treatment facilities unless the water and wastewater infrastructure is extended. It is anticipated that the areas to the south and west will be developed after the extension of infrastructure is completed, which is consistent with the policy.

Policy 14.1.4

Encourage special districts to comprehensively plan for the resources and facilities they will need to accommodate potential future growth.

The intended purposes of the Crossroads Metropolitan District Nos. 1-2 are to finance and construct water and wastewater lines and facilities, roadway and street improvements, and drainage and stormwater facilities, park lands, and to provide television relay and translation and mosquito control, all of which support future development within the proposed service area.

Availability of centralized water and wastewater services in conjunction with completion of the east-west Meadowbrook Parkway to Peterson Road could enable development of the surrounding vacant properties west of the crossroad (District No.1) development and south the Highway 24 Corridor.

Policy 14.1.5

Encourage the careful preparation and review of special district service plans in order to ensure that development and financial assumptions are reasonable, all plausible alternatives have been considered, services and boundaries are well-defined, and contingencies have been anticipated.

Staff has reviewed the service plan with supporting development analysis financial assumption summaries pursuant to provided conceptual drawing and find that they are reasonable, as further detailed above. The plan also proposes a 30-year debt pay off which is typical. The assumptions are based on the regions anticipated residential and commercial development. It should be noted that future market conditions could create a situation that may significantly or adversely affect the proposed Districts' ability to discharge debt.

The applicable policies in Section 14 of the El Paso County Policy Plan (1998), as they relate to the creation of Title 32 Special Districts, are addressed in detail above.

b. El Paso County Water Master Plan

The El Paso County Water Master Plan (2018) has three main purposes; better understand present conditions of water supply and demand; identify efficiencies that can be achieved; and encourage best practices for water demand management through the comprehensive planning and development review processes. Relevant goals and policies are as follows:

Goal 1.1 – Ensure an adequate water supply in terms of quantity, dependability and quality for existing and future development.

Goal 1.2 – Integrate water and land use planning

Goal 3.1 – Promote cooperation among water providers to achieve increased efficiencies on infrastructure.

Policy 6.0.3 – Encourage water and wastewater infrastructure projects to be sited and designed in a manner which promotes compatibility with adjoining uses and provides reasonable mitigation of any adverse visibility and other environmental impacts.

Goal 6.0.11- Continue to limit urban level development to those areas served by centralized services.

The subject property is located within Region 5, Cherokee Metropolitan District Service Area, which is not expected to

experience significant growth in the County by 2060. Specifically, the Plan states:

“Region 5 consists of areas served by the Cherokee Metropolitan District and is not expected to experience significant growth by 2060. But the District could consider expanding water and sewer service to growth areas outside of Region 5. No specific growth map was created for Region 5; these areas are shown on other maps.”

Region 5 has a current water supply of 4,849 acre feet per year and a current demand of 4,396 acre feet per year. The 2040 water supply is projected to be 6,800 acre feet per year and the projected demand is 6,468 acre feet.

Cherokee Metropolitan District participated in the water provider surveys in conjunction with developing the Water Master Plan. The needs analysis in the Plan quantifies that the District will need to obtain additional water supplies required for the 2040 and 2060 horizons compared to the supplies currently available today. The District’s participation in the planning effort indicates that the District is very aware of their future water needs and anticipates adding water supplies incrementally to meet the growing and projected demands.

The Cherokee Metropolitan District has provided a water and wastewater commitment letter to serve the development (page 10 of the letter of intent). The majority of the District’s water supply comes from the Upper Black Squirrel Creek Designated Groundwater Basin, which is considered a renewable resource. However, the District also receives supplies from the Sundance Ranch well field which draws from the Denver Basin aquifers, a nonrenewable water source. The District assumes that the Denver Basin will not be reliable beyond 2050. Therefore, the District has implemented three methods to provide a sustainable water supply to its customers:

- a. Water efficiency: The District set a goal of reducing demand by 3 to 5 percent per capita and already has one of the lowest per capita usages in the state.

- b. Water reuse: The District recharges the Upper Black Squirrel Creek aquifer with the wastewater provided by the District and by Meridian Service Metropolitan District via intergovernmental agreement.
- c. Additional renewable water supplies: The District is part of the Pikes Peak Regional Water Authority; whose goal is to provide water suppliers with a new regional water supply system.

As stated in the applicants will serve letter, this development is projected to demand 116.3 acre-feet of water per year. As of 2018, the District had a surplus of 319.803 acre-feet per year, so accounting for this development, the District will be left with a surplus of 168.903 acre-feet per year for future developments. Staff notes that the District's accounting of current water demands and water supply, which have been provided for year 2018, should be updated annually in order to appropriately evaluate the District's ability to increase water resources in conjunction with development applications and to show that the District is taking steps to address future projected water supply deficiencies.

A request for finding of water sufficiency in regard to quantity, dependability, and quality is not being requested, nor is it required, with the proposed Crossroads Metropolitan District Nos. 1-2 but would occur at the later subdivision stage. The applicant is proposing the subject development to be served by the Cherokee Metropolitan District. The extension of central water service to this area is anticipated to promote urban level development, provide cooperation with the existing service provider, Cherokee Metropolitan District which supports many of the goals and policies of the Water Master Plan.

c. Small Area Plan Analysis

The property is located not located within the boundaries of a small area plan.

IV. Compliance with water quality management plan

Section 3.6, Wastewater Treatment Facilities, of the Pikes Peak Area Council of Government's Water Quality Management Plan 2010 Update, which was in effect at the time of application submittal, states that, "If it is economically feasible wastewater service will be provided in

regional and sub regional publicly owned wastewater treatment facilities, and small privately owned facilities will be avoided.” The applicant is proposing that wastewater treatment service for the anticipated development will be provided by the Cherokee Metropolitan District if the Crossroads Metropolitan District Nos. 1-2 extend the water and wastewater infrastructure from the current terminuses to the Crossroads development. The applicant will design, finance and construct the wastewater infrastructure, which is anticipated to be dedicated to Cherokee Metropolitan District after construction for ongoing maintenance.

V. In the best interests of the area to be served

See other service provision discussions in this staff report.

2. COMPLIANCE WITH 2007 SPECIAL DISTRICT POLICIES

(The County’s Special District Policies, dated June 25, 2007, are included as an attachment. The following is a summary of the analysis of those policies as they apply to this request.)

I. Conformity with statutory standards

(See Statutory Compliance discussion above)

II. Conformity with County Master Plan and Policies

(See the Discretionary Findings discussion above and below)

III. Content in conformance with statutes

To the knowledge of staff, the process followed to this point has been consistent with the requirements of Colorado statutory law.

IV. Applicants responsible for meeting timelines

The applicant submitted the service plan application in a timely manner to allow staff adequate time to properly review the application.

V. Limiting proliferation of districts

Approval of this service plan will allow for the creation of two (2) new Title 32 Special Districts. The creation of the proposed Districts will not result in service provision redundancy in the area.

There are currently no other governmental entities, including the County, located in the immediate vicinity of the Crossroads Metropolitan District

Nos. 1-2 that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the public improvements needed for the project. It is acknowledged that the Districts are located in the vicinity of two other districts, including Cherokee Metropolitan District and Meadowbrook Crossing Metropolitan District. It is not feasible, however, for those districts, to include this development within their service areas. For example, a separate district is needed to support and pay for the public improvements to be associated with the project including, but not necessarily limited to, streets, roadway and drainage improvements. The contemplated public improvements are anticipated to be both significant and costly. Additionally, the property owners/developers of the property within the project have no authority or control in connection with the governance or operations of Cherokee Metropolitan District and Meadowbrook Crossing Metropolitan District. Likewise, the Cherokee Metropolitan District and Meadowbrook Crossing Metropolitan District service plans do not allow for sufficient debt capacity to account for the debt necessary to fund the needed infrastructure. Based on the foregoing, formation of the Crossroads Metropolitan District Nos. 1-2 is necessary in order to provide the public improvements needed for the development in the most economic manner possible.

The applicant is not proposing for the Crossroads Metropolitan District Nos. 1-2 to provide water and wastewater services, but instead is requesting authority to finance, construct, and install the physical infrastructure needed to extend the water and wastewater services of the Cherokee Metropolitan District from the north and west into the Crossroads development. The infrastructure is then anticipated to be dedicated to Cherokee Metropolitan District for ongoing ownership and maintenance.

VI. Coordination with other elected officials and departments

The applicant has fully coordinated with all applicable departments and has provided sufficient lead time to allow for a technical review of the proposed service plan.

VII. Address potential for annexation

The southern and southeastern boundaries of the proposed Crossroads District No. 2 is adjacent to the City of Colorado Springs. The applicant

has provided the following statements as to why it is not feasible for annexation.

“While the Hillcrest Acres Subdivision is adjacent to the Colorado Springs Utilities Water Treatment Plant, therefore satisfying the required contiguity for annexation, the costs for extending water from CSU’s infrastructure vs. Cherokee’s infrastructure is nearly the same as outlined on the attached cost estimates. Accordingly, there is no significant financial advantage to annexation.

All of the property within the proposed Crossroads Districts lie within the Cherokee Metropolitan District Service Area and the Manager for Cherokee has stated that the development of the land is expected to occur within Cherokee’s District. Any attempt to annex will be challenged by Cherokee.

For these two (2) primary reasons, in addition to the required time to process an annexation application, I have elected to avoid annexation.”

VIII. Development Analysis

A development analysis has been provided consistent with the adopted Board of County Commissioners policies. A summary of the development analysis is included in Section IV of the service plan. Please see the discussion of the Districts’ financial plan in the Required Findings section of this report, specifically subsection IV Financial Ability to Discharge Proposed Indebtedness, above as it relates to the assumptions for development.

IX. Mill Levy Caps

The applicant is requesting approval of a maximum combined mill levy cap of 60 mills for commercial, including 50 mills devoted for commercial debt service, and 10 mills for operations and maintenance for residential and commercial. The Board of County Commissioners policies limit the maximum combined total mills to 60 mills with an additional Special Purpose Mill Levy of 5 mills being allowed if covenant enforcement authority is being proposed. The applicant is not requesting an additional 5 mills for covenant enforcement although the Crossroads Metropolitan District Nos. 1-2 may perform covenant enforcement pursuant to their statutory authority.

X. Master Districts

The proposed service plan does not include a master district configuration. Therefore, this policy is not applicable.

XI. Multiple Districts

Multiple Districts are defined by the El Paso County Special District Policies as:

“Any combination of two (2) or more districts as part of a consolidated service plan for the purpose(s) of phasing the relinquishment of control by a developer-controlled board of directors and/or phasing the issuance of debt in accordance with phased land use plan and/or accommodation of differential mill levies within the consolidated service area.”

The proposed service plan anticipates the formation of two (2) districts. The proposed district configuration is known as a multiple district. District Nos. 1-2 are both proposed to function as the control district, which is responsible for managing the construction, acquisition, installation, financing, and operation of the Public Improvements. The County Special District Policies require the applicant “provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area.” The applicants service plan identifies that the two-district configuration is the minimum necessary to facilitate phased development of the Crossroads development and to provide (a) coordinated administration of construction and operation of public improvements and delivery of those improvements in a timely manner; and (b) assurance that improvements required by the County are constructed in a timely and cost-effective manner.

XII. Skeletal Service Plans

This is a complete service plan. Therefore, this policy is not applicable.

XIII. Authorization of Debt and Issuance of Bonds

The proposed maximum amount of indebtedness for the Crossroads Metropolitan District Nos. 1-2 is \$52 million. The period of maturity for any issued debt, not including developer funding agreements, is limited to no more than thirty (30) years without prior approval from the Board

of County Commissioners. The applicant is requesting a thirty (30) year period of maturity for any issued debt.

6. COMPLIANCE WITH COUNTY PROCEDURES AND GUIDELINES

Staff recommends the submittal is in compliance with all adopted procedures and guidelines.

7. OTHER FACTORS

Not applicable with this request.

H. SERVICES

1. WATER

Cherokee Metropolitan District has provided a will-serve letter to provide water service. The proposed Crossroads Metropolitan District Nos. 1-2 are requesting authority to finance, design, and construct water service lines into and within the Crossroads development. The infrastructure will be dedicated to the Cherokee Metropolitan District for ongoing maintenance and ownership after it is constructed and operational.

2. WASTEWATER

Cherokee Metropolitan District has provided a will-serve letter to provide wastewater service. The proposed Crossroads Metropolitan District Nos. 1-2 are requesting authority to finance, design, and construct wastewater service lines into and within the Crossroads development. The infrastructure will be dedicated to the Cherokee Metropolitan District for ongoing maintenance and ownership after it is constructed and operational.

3. TRANSPORTATION

Approval of the proposed service plan would authorize the Crossroads Metropolitan District Nos. 1-2 to finance, design, and construct arterial, collector and local level street improvements and any bridges, fences, trails, lighting, landscaping, and traffic and safety controls and devices. The applicant's intent and the County's requirement is to construct any street improvements to applicable County standards. The applicant is proposing to dedicate such facilities to the County for ongoing ownership and maintenance. All improvements constructed by the Crossroads Metropolitan District Nos. 1-2 located outside of the dedicated right-of-way shall be maintained by the Crossroads Metropolitan District Nos. 1-2. The County Road Impact Fee Program BoCC Resolution 19-471 applies to this development, any future

request for a preliminary plan and final plat will require plat notes indicating that that fee applies.

4. DRAINAGE

Approval of the proposed service plan would authorize the Crossroads Metropolitan District Nos. 1-2 to finance, design, construct, and maintain drainage facilities, including detention ponds, culverts, pipes, channels, and swales. All on-site and off-site drainage facilities are to be owned and maintained by Crossroads Metropolitan District Nos. 1-2, but all plans and designs must first be submitted to Planning and Community Development Department for technical review, comment, and approval. The majority of the subject area is within the Sand Creek Drainage Basin. The eastern portion of the Crossroads Metropolitan District No. 2 is within the Jimmy Camp Creek Drainage Basin. The applicant is proposing channel improvements where necessary and full-spectrum drainage facilities to detain development runoff to historic rates.

Drainage and bridge fees will be due upon subsequent plat(s) recordings.

5. PARKS AND RECREATION

As stated in the proposed service plan, the Crossroads Metropolitan District Nos. 1-2 shall not have the authority to apply for or utilize Conservation Trust ("Lottery") funds without the express prior approval of the Board of County Commissioners, but shall have the authority to apply for and receive any other grant funds, such as Great Outdoors Colorado (GOCO) discretionary grants. The applicant is currently negotiating a long-term lease with the City of Colorado Springs for a proposed 19.6-acre sports park. The applicant has provided correspondence that the terms of the lease require the formation of the Crossroads Special District Nos. 1-2.

6. FIRE PROTECTION

The Cimmaron Hills Fire Protection District will serve the development with the proposed District No. 1 area. The District was sent a referral and have no objections or concerns with the request. The proposed area with District No.2 is not with a fire protection district.

7. COMMUNITY FACILITIES

See the Parks and Recreation section above for a discussion of public/community facilities and amenities that will be provided by the applicant. No other community facilities are proposed with this service plan.

8. OTHER FACILITIES OR SERVICES

Colorado Springs Utilities will provide natural gas service and Mountain View Electric Association (MVEA) will provide electrical service to the anticipated development within the service area of the proposed Districts.

I. RELATIONSHIPS TO OTHER DISTRICTS OR MUNICIPALITIES

The Crossroads Metropolitan District Nos. 1-2 is within the boundaries of the Cherokee Metropolitan District. Cherokee Metropolitan District will provide water and wastewater services to the area within the Districts' upon completion of the water and wastewater infrastructure.

J. SCHOOL DISTRICT IMPACTS OR CONCERNS

School District No. 11 was sent a request for comment for the proposed service plan. No comments have been received to date.

K. PUBLIC COMMENT AND NOTICE

There are no posting or mailing requirements for hearings before the Planning Commission on Colorado Revised Statutes Title 32 Special District service plans; PCD staff did post the property on September 9, 2020. However, there are notice requirements for hearings before the Board of County Commissioners. The applicant was required to notify all taxing jurisdictions within three (3) miles of the District's boundaries as required by state statute prior to the Board of County Commissioners hearing. In addition, published notice was provided by County staff in the Shopper Press.

L. OUTSTANDING CONCERNS

There are no outstanding issues.

M. ATTACHMENTS

Vicinity Map

Letter of Intent (includes Will Serve Letter, Conceptual Drawings, and Existing Utility Map)

Proposed Service Plan and Attachments

2007 El Paso County Special District Policies

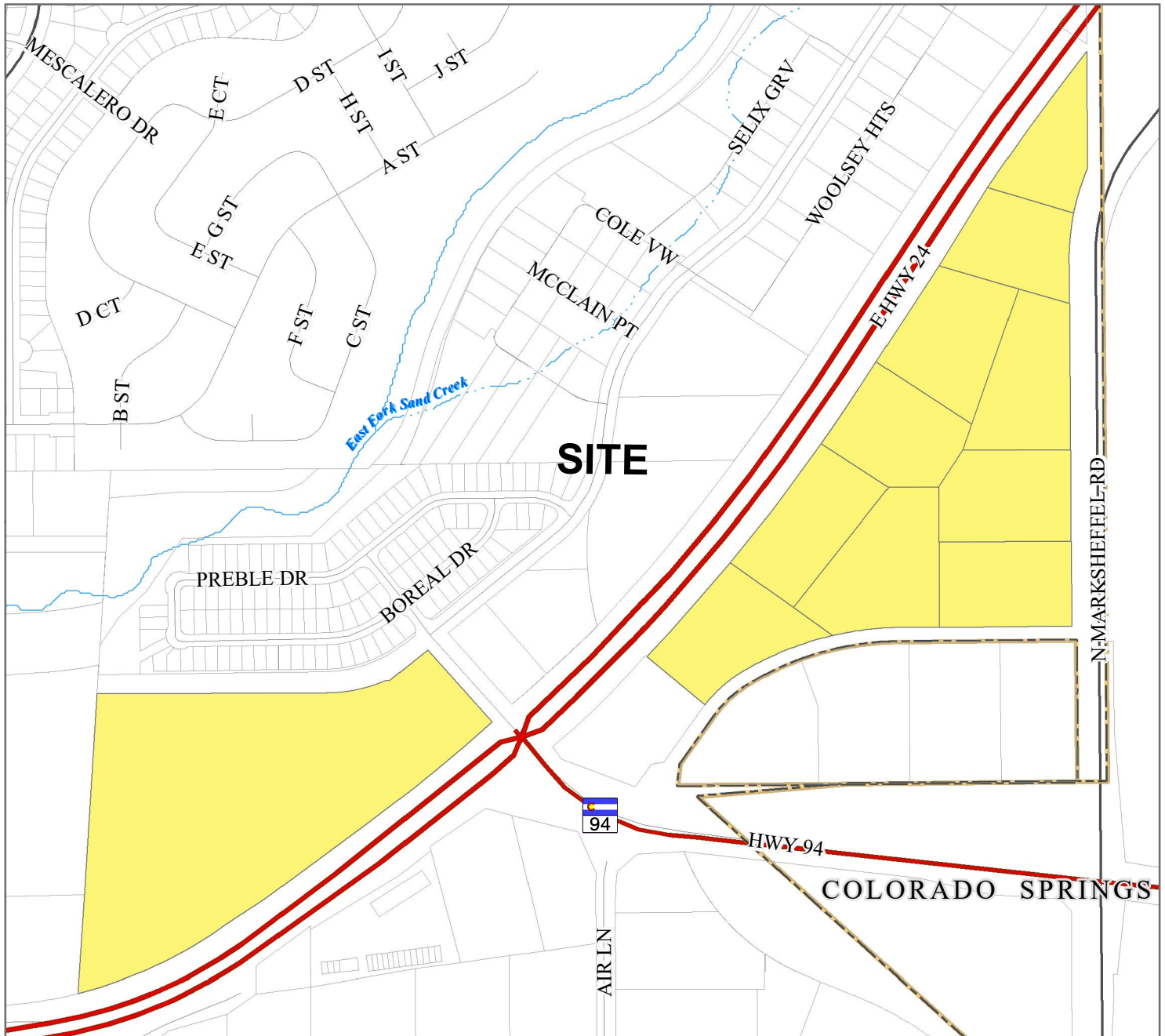
El Paso County Parcel Information

File Name: ID-20-001

Zone Map No. --

Date: September 9, 2020

PARCEL	NAME
5408001008	COLORADO SPRINGS EQUITIES LLC
5408001042	COLORADO SPRINGS EQUITIES LLC
5408001029	COLORADO SPRINGS EQUITIES LLC
5408007005	COLORADO SPRINGS EQUITIES LLC
5408001052	COLORADO SPRINGS EQUITIES LLC
5408001051	COLORADO SPRINGS EQUITIES LLC
5408001032	COLORADO SPRINGS EQUITIES LLC
5408001050	COLORADO SPRINGS EQUITIES LLC
5408001033	COLORADO SPRINGS EQUITIES LLC
5408001034	COLORADO SPRINGS EQUITIES LLC
5408001041	COLORADO SPRINGS EQUITIES LLC



Please report any parcel discrepancies to:
El Paso County Assessor
1675 W. Garden of the Gods Rd.
Colorado Springs, CO 80907
(719) 520-6600



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RUSSELL W. DYKSTRA, PARTNER
DIRECT DIAL: (303) 839-3845
rdykstra@spencerfane.com

File No. 5022841.0005

August 26, 2020

El Paso County
Planning and Community Development
Attn: Kari Parsons
2880 International Circle
Colorado Springs, CO 80910

**Re: Letter of Intent in Support of Formation of Proposed Crossroads
Metropolitan District Nos. 1 & 2**

Dear Ms. Parsons:

On behalf of The Equity Group LLC, we are submitting this letter of intent to form the proposed Crossroads Metropolitan District Nos. 1 & 2 (collectively, the “Districts”). The boundaries of the proposed Crossroads Metropolitan District No. 1 (“District No. 1”) encompasses one parcel of land located southwest of the intersection of Highway 24 and Highway 94 and contains approximately 29.04 acres (Schedule Number 5408007005). The boundaries of the proposed Crossroads Metropolitan District No. 2 (“District No. 2”) encompasses property located northwest of the intersection of Highway 94 and Marksheffel Road and contains approximately 41.42 acres (Schedule Numbers: 5408001029, 5408001034, 5408001008, 5408001042, 5408001041, 5408001050, 5408001033, 5408001032, 5408001051, 5408001052). The property located within the Districts is collectively referred to herein as the “Crossroads Property.” The Crossroads Property lies entirely within the boundaries of El Paso County, Colorado (the “County”). The Crossroads Property is not located within the City of Colorado Springs. The property identified as the additional inclusion area in the Service Plan, the property Colorado Springs Airport owns, is located within the City of Colorado Springs. Such property will be proposed to be within District No. 2 if the City of Colorado Springs approves the inclusion and approves the proposal to improve the land for use as a sports park.

The property located within District No. 1 is anticipated to be developed into mixed use retail and medical office buildings and the property located within District No. 2 is anticipated to be developed into retail, restaurants, and potentially a sports park in the future. The planned development remains an estimate and may be altered depending on the final outcome of the development approval process.

We respectfully request consideration of the Districts at the next possible public hearing of the Board of County Commissioners (the “Board”) of the County in order to meet the requirements of a formation election in November of 2020.

A. Purpose of the Districts

One of the primary purposes of the Districts is to provide for the construction, installation, completion, financing and possible ownership, operation and maintenance of public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, drainage, traffic and safety, and park and recreation improvements, and services and powers provided for metropolitan districts authorized by the Special District Act, pursuant to Title 32, C.R.S. and provided within similar districts within the County. The creation of the Districts is necessary to serve the Crossroads Property because there are currently no other governmental entities, including the County, located in the immediate vicinity of the Districts that consider it desirable, feasible, or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the public improvements needed to serve the Crossroads Property. Cherokee Metropolitan District (“Cherokee”) is anticipated to be the water and sewer provider to the Crossroads Property, however, Cherokee, along with other special districts in the vicinity of the Crossroads Property, are unable to provide or fund the public improvements. The Meadowbrook Crossing Metropolitan District, which is located adjacent to the Crossroads Property, is a residential district that does not have the ability or desire to undertake a new development as it could adversely affect the current residents and property owners. Furthermore, the creation of the Districts will ensure the costs of the public improvements are shared by the property owners and taxpayers directly benefitting from such public improvements.

The public improvements District No. 1 may finance and construct include but are not limited to the following: an extension to Meadowbrook Parkway, installation of a roundabout, construction of a large underground water detention facility, and construction of a community park. District No. 2 is anticipated to enter into a long-term lease agreement with Colorado Springs Airport to lease approximately 20 acres for development and maintain the proposed sports park. District No. 2 is also anticipated to redevelop Air Lane, the existing platted public right-of-way, including mass over lot grading and installation of utility mains. Further, both Districts are anticipated to fund and construct certain regional improvements, including street and traffic improvements.

To the extent any of the authorized facilities and improvements are dedicated to and accepted by the County or other entities having jurisdiction, the County or other entities shall own, operate and maintain such accepted facilities and related improvements. The Districts shall be authorized to own, operate and maintain any facilities and improvements not otherwise dedicated to and accepted by any applicable public entity acting as a Provider Jurisdiction (as defined in the proposed Service Plan), subject to any County rules and regulations.

B. Justification and Information Regarding Multi-District Structure

A multi-district structure is being utilized for this project to allow the development to occur in phases. The creation of two districts will ensure that the construction, financing, and operation of

each phase of development will be administered consistent with a long-term construction, financing, and operations program. The multiple district structure will also promote the equitable allocation of the costs of capital improvements and operations within the Crossroads Property. Each District will have authority to manage the construction, acquisition, installation, and operation of the public improvements and will be responsible for providing the funding and tax base needed to support the project. The Districts may enter into an inter-district agreement further governing this relationship.

C. Development and Financial Plans

The owner of the property located within the Districts is Colorado Springs Equities LLC. The Districts' organizers prepared the Districts' supporting documentation. The Developer of the Crossroads Property is The Equity Group LLC. Cost estimates for the proposed public improvements were generated by Developer representatives who have experience in the completion of similar improvements and the estimates have been reviewed by MS Civil Engineers. Concept planning for both Districts are enclosed. It should be noted, though, that such costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control, e.g., increased construction costs and inflation. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs may be significantly higher. To demonstrate the Districts' ability to finance the public improvement portion of costs of the project, a financial plan is attached to the Service Plan as Exhibit D. This financial plan and the cost estimates provided in Exhibit C to the Service Plan are meant to show the capacity of the Districts to issue debt. Any debt the Districts issue will be within the limitations of the text of the Service Plan.

D. Justification for District Formation Prior to Completion of Zoning and Land Use Approvals

The property located within District No. 1 is zoned commercial regional zoning and does not require a change. The property located within District No. 2 is zoned commercial regional and industrial. The Developer is consolidating all zoning within District No. 2 to commercial regional zoning and the proposed uses within District No. 2 include retail, big box retail, quick serve restaurants, drug store, and medical office. The submittal is scheduled for the week of August 31, 2020.

We are requesting that the Districts' formation be considered in conjunction with the zoning and land use approval process for several reasons. First, the Districts' formation is part of a larger master development plan that will serve the surrounding area. For example, the County has been interested in the construction of Meadowbrook Parkway through to Peterson Road to help facilitate planning and growth in the area. This public improvement is one of four major offsite public improvements the Developer seeks to develop within the master-planned commercial developments the Districts are intended to serve. The other three public improvements include: (i) the extension of water and wastewater through the Hillcrest Subdivision (in District No. 2), which requires borings under both U.S. Highway 24 and Colorado Highway 94; (ii) the development of an underground stormwater detention facility that will result in a park-like landscape entry along U.S. Highway 24; and (iii) massive over lot grading of the District No. 2 property aggregation in

support of both the private development and the potential sports park referenced above. A concept plan demonstrating the development is enclosed herewith. In order to finance the extension of Meadowbrook Parkway within District No. 1 and the mass over lot grading and utility mains within District No. 2, the Districts must be formed.

These on and offsite public improvements generally need to be completed prior to additional development. Moreover, as these improvements are significant, development of such will need to rely on the public financing tools that will be available to the Districts and the Developer cannot move forward on any of the pre-development District-related improvements without such financing. The prolonged election cycle (next TABOR election does not occur until November 2021) and market uncertainty necessitate the formation of the Districts this year to allow for the financing for these types of improvements to materialize.

Second, the Developer is actively preparing the necessary land use submittals for the project. The Developer has completed the Early Assistance meetings for the properties within both Districts and is currently preparing the Preliminary Plat and zoning submittals (zoning submittals are only needed for District No. 2). Due to the overall size and scope of the project, the Developer is completing additional land planning and civil engineering to establish the placement of access roads, detention improvements, and other improvements before finalizing the Preliminary Plat. The Developer anticipates submitting the Preliminary Plat and zoning submittals by August 21, 2020.

Third, the Developer is currently negotiating with the Colorado Springs Airport for a long-term lease of 20 acres (anticipated to be approximately 50 years), which is intended to be redeveloped as a sports park. District No. 2 is intended to be the lessee and therefore must be formed before the parties can enter into the lease and for the Colorado Springs Airport to cooperate on the sports park. The Developer and District No. 2 must be in a position to show the Colorado Springs Airport a financial structure to accomplish the plans for development of the sports park. Therefore timely formation of the Districts is needed to complete this aspect of the plan for development and cannot afford to wait another complete year to be accomplished.

We are therefore requesting that the County allow the Developer to achieve the master-planned approach for this entry corridor, which will help fulfill the County's vision for this area, by allowing the parallel formation of the Districts. To further establish the Developer's intention to obtain all necessary zoning and land use approvals, we propose that the BOCC Resolution approving the Service Plan contain language that requires such land use and zoning approvals prior to the Districts imposing a debt service mill levy or issuing any debt. We also propose including a deadline for the Developer to obtain such approvals, after which the District must initiate dissolution proceedings or petition the County for an amended service plan.

Following approval of the land use and zoning submittals and consistent with the proposed Service Plan, the Developer and the Districts intend to work with applicable service providers to obtain the necessary consents and/or approvals (as necessary) for the provision of necessary public services to the Districts including, but not limited to, water, wastewater/sewer and fire protection services. Cherokee is anticipated to provide water and sewer services to the Crossroads Property pursuant to its development guidelines and rules and regulations. The Districts will fund and construct the necessary improvements and convey such improvements to Cherokee for ownership,

operations, and maintenance as the service provider. The roads will be conveyed to the County and certain public improvements, including stormwater, drainage, and park and recreation improvements, will be owned by the Districts or the County as appropriate and subject to County requirements. A utility plan for the project is enclosed (a lift station is not required). Additionally, the Developer and the Districts intend to coordinate the completion of the necessary public improvements in compliance with any approved development plans obtained by, or for the benefit of, the Districts.

E. Service Plan Conformity

The proponents for the formation of the Districts intend that this Service Plan shall be in conformity with the applicable standards contained in C.R.S. § 32-1-203 and shall be compliant with all applicable County rules and regulations including, but not limited to County requirements for notice, publication, hearings and policies and procedures of the County for approval of a metropolitan district service plan. All pertinent facts, matters and issues shall be submitted to the County and evidence satisfactory to the County that each of the following was presented:

- a. There is sufficient existing and projected need for continued organized service in the area to be served by the Districts.

The purpose of the Districts is to finance and construct certain public improvements and to provide other additional services necessary to support the Crossroads Property. Without the formation of the Districts, these improvements and services as well as regional improvements will not be developed. Further, the proposed improvements and services are not available to the community through the County or other existing quasi-municipal corporations, including special districts, within a reasonable time and on a comparable basis. To develop the area, significant investment is needed in public infrastructure, both within and without the boundaries of the Districts, including but not limited to water system improvements, sanitary sewer and storm drainage improvements, streets and roadway improvements, and park and recreation improvements. Financing and constructing these improvements through the Districts will lower cost and ensure the costs are spread among those in the community that will benefit from such development.

- b. The existing service in the area to be served by the Districts is not adequate for present and projected needs without the organization of the Districts.

The proposed improvements and services are not and will not be available to the community through the County or other existing municipality or quasi-municipal corporations, including special districts such as Meadowbrook Crossing Metropolitan District, within a reasonable time and on a comparable basis. Meadowbrook Crossing Metropolitan District and Cherokee do not have the ability or the desire to undertake new development. Once the infrastructure is built for the water and sewer systems, the Districts will convey the improvements to Cherokee. See the enclosed Water Sufficiency Letter from Cherokee demonstrating adequate water supply.

- c. The Districts are capable of providing economical and sufficient services to the area it intends upon serving and/or financing the public improvements which shall be dedicated to and accepted by the County or other Provider Jurisdiction.

The formation of the Districts will ensure that the public improvements and other services are sufficient to support the community. The Districts will also ensure the public improvements are constructed within a reasonable period of time for the benefit of the property owners, taxpayers, and residents located in the community. In addition, the public financing tools available to the Districts will help lower the costs of the public improvements.

- d. The areas to be included within the Districts have, or will have the financial ability to discharge the proposed indebtedness of the Districts on a reasonable basis within the mill levy caps and restrictions provided by the County rules and regulations.

The estimated costs of the improvements and facilities to be constructed, installed, and/or acquired by the Districts are set forth in the Service Plan. The Districts will be limited to issuing debt within the confines of the Service Plan and limited to the amount the Districts can reasonably pay from the revenue derived from the debt service mill levy and other legally available revenue. In other words, the anticipated issuance of debt and repayment will be based upon the projected development within the Districts' boundaries, which will allow the Districts to finance the facilities and improvements identified in the Service Plan and allow the Districts to discharge the proposed indebtedness on a reasonable basis. In addition, the financial plan indicates that the Districts will have the ability to discharge the proposed indebtedness pursuant to the densities following approval of the required land use submittals.

- e. Adequate service is not and will not be available to the area through the County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.

The proposed public improvements and services the Districts will provide are not available to the area through the County or other existing municipality or quasi-municipal corporation, including special districts, within a reasonable time and on a comparable basis. Cherokee has committed to serve the water and sewer services following construction of the necessary infrastructure by the Districts. Additionally, upfront public financing is needed to construct the proposed infrastructure.

- f. The facility and service standards of the proposed Districts are compatible with the facility and service standards of the County.

All proposed facilities and services will be constructed and provided in accordance with the standards and specifications of El Paso County, the State of Colorado, and any other appropriate jurisdictions.

- g. The proposed service plan shall be consistent with applicable elements of the El Paso County Master Plan.

The Crossroads Property is located within Region 5, Cherokee Metropolitan District. The Water Sufficiency Letter from Cherokee, as the service provider for the Crossroads Property, is enclosed herewith demonstrating Cherokee's compliance with the El Paso County Master Plan and adequate supply of water to serve the Crossroads Property. The developer contends that the project is compatible with the County's vision for the future and complies with the policies necessary to achieve sustainable growth within the County as expressed in the County master plan.

- h. The creation of the proposed Districts is in the best interests of the area proposed to be served.

The proposed public improvements and services necessary to serve the Crossroads Property are not and will not be available to the area through the County or other existing municipality or quasi-municipal corporation, including special districts, within a reasonable time and on a comparable basis. The formation of the Districts will ensure that the public improvements and services are sufficient and constructed within a reasonable period of time for the benefit of the property owners and residents located in the community.

F. Major Service Plan Points

- Approximately 70.46 acres of property within the boundaries of the Districts.
- Completion of an estimated \$48,500,000 of on and off-site public improvements including, but not limited to on and off-site streets, roadway, water and sanitary, drainage, traffic and safety, and park and recreation improvements.
- Anticipated development of approximately 373,000 commercial square feet.
- The rate of absorption provided in the Service Plan is a projection based on information from the developer and is used for estimating the financial plan. There is no way to accurately predict absorption due to variables such as the economic factors, market demand, land-sue approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement. If absorption is delayed or accelerated, the bond issuance parameters will reflect those changes at the time of issuance.

- The estimated initial assessed value at time of complete build-out is \$12,112,942 (based upon an estimated initial market value at time of complete build-out of \$41,768,765 times 29%).
- The initial estimated cost of the public improvements needed for the project is \$48,500,000. The foregoing estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs.
- Public Improvements need additional financing from the Districts to complete.
- Debt is proposed to be issued in one or more series of bond issuances to allow for financing of constructed infrastructure and expedient completion of the overall project.
- Maximum Mill Levy of 60 mills for each District, inclusive of debt (50 mills) and operations and administration (10 mills), is proposed.
- Total current projected mill levy of 50 mills for debt, 10 mills for operations and maintenance and a public improvement fee of 2% allows for financing of up to approximately \$36,270,000 based upon initial estimates. As mentioned above, this is an example of the Districts' capacity to finance the public infrastructure and is subject to change, subject to the limitations in the Service Plan.
- Requested Debt Authorization of \$52,000,000 allows for contingencies and financing variations based upon changes to construction costs, development build out and absorption of the project (see estimated cost of \$48,500,000 for public improvements above).
- Maximum voted interest rate of 12%, maximum underwriting discount of 5%.
- Metropolitan district powers allowed by the Special District Act and consistent with other El Paso County metropolitan districts.
- Formation Election after approval of the Service Plan in November 2020.
- There are no current residents within the Districts and no debt or bonds have been issued.
- Mill levies, interest rate limitations, term limitations and underwriting discounts will be consistent with the present County imposed limitations with other service plans approved by the County.
- Maximum term of any bond issue is 30 years for General Obligation Bonds. The example financial plan attached to the Service Plan anticipates a bond issuance in 2022 for both Districts and a potential refunding in 2032. If bonds are issued in the early part of a project as proposed, the interest rate is generally higher due to the reliance on future projected

development. As that development is completed, there is less risk to the bond holders and the initial bonds are refunding and replaced with lower interest rate “permanent” bonds in order to lower the impact on residents. This is a common structure for new development bonds.

G. Conclusion

Crossroads Metropolitan District Nos. 1 & 2 Service Plan will serve the best interests of the taxpayers, property owners and development of the property within the Crossroads Property, will minimize non-interested party obligations, and will maximize both development and absorption within the Districts and County without delays in development. The formation of the Districts will allow for financing and development to pay for only those improvements and costs which are a direct benefit to the property within the Districts. Allocation of improvement costs between the Districts will be determined at the time of construction and funding. Each District will help fund the costs within its boundaries and contribute a proportionate share of the costs for regional or shared improvements.

We look forward to working with the County on this matter.

Sincerely,
SPENCER FANE LLP

/s/ Russell W. Dykstra
Russell W. Dykstra, General Counsel

Encl.



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd., Colorado Springs, CO 80915-2842

Telephone: (719) 597-5080 Fax: (719) 597-5145

October 16, 2019

Danny Mientka

Colorado Springs Equities, LLC

90 S. Cascade Ave, Ste. 1500

Colorado Springs, CO 80903

Sent via email: kelly@theequitygroup.net

Original to follow by US Mail

Re: Sufficiency Statement for Colorado Springs Equities, LLC

Dear Colorado Springs Equities, LLC,

As requested, this document will serve as a sufficiency statement from the Cherokee Metropolitan District that it will have sufficient water and sewer capacity for Colorado Springs Equities' three developments located around the intersection of State Highway 94 and U.S. Route 24. The proposed location for this development is located within the District's established boundaries and is therefore eligible for service connections from the District.

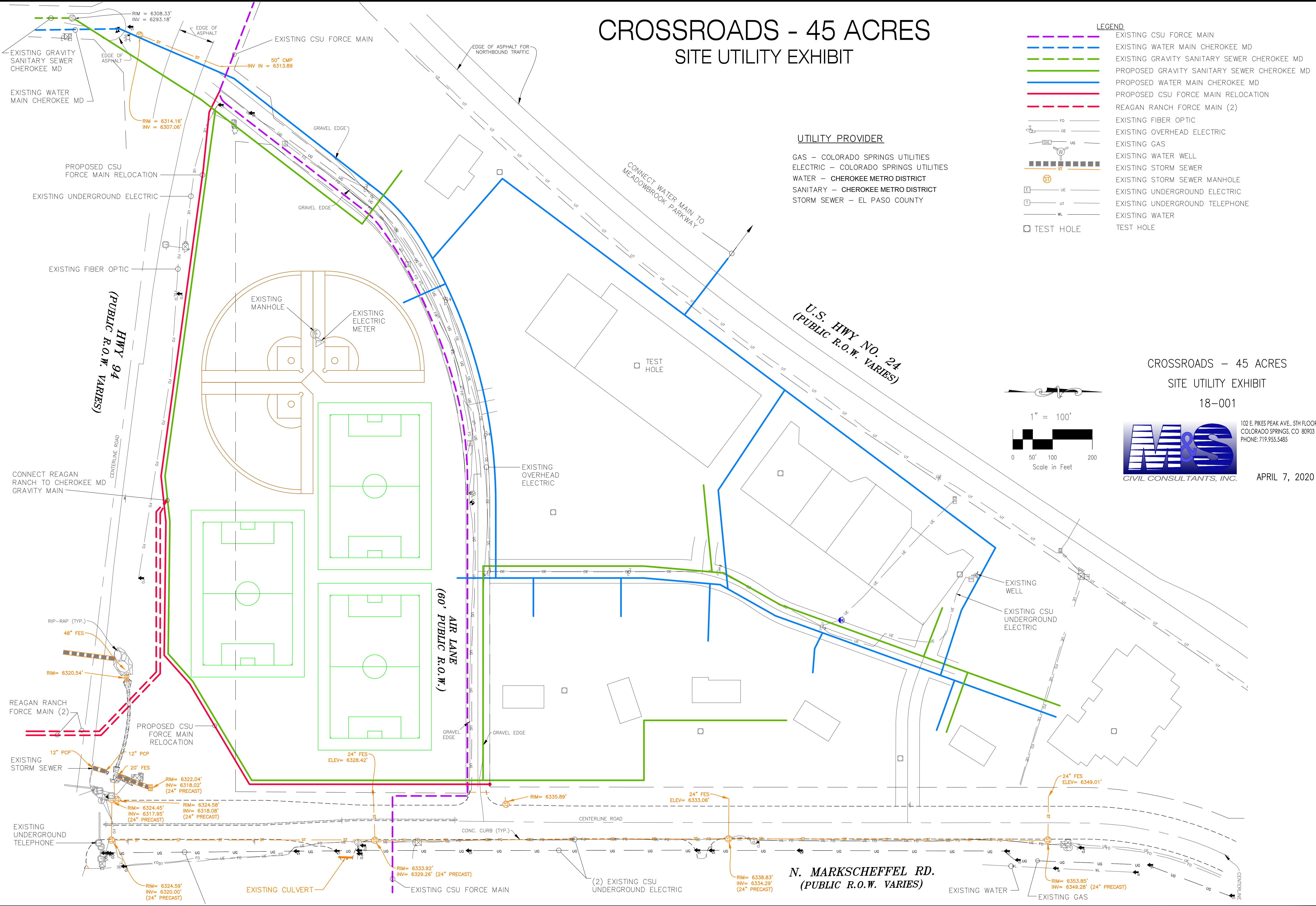
Cherokee Metropolitan District staff have determined that the developments will require the following water supply:

Development	Demand (AF/yr)
Meadowbrook Park Residential	20.2
Village at Meadowbrook (NW of US24)	25.4
Crossroads Commercial (SE of US24)	90.9
Total	134.4

The District is actively developing new water supplies to meet the demands of our growing customer base. Based on our water supply development schedule and the anticipated buildout of other developments in the District we will have sufficient water to support partial buildout and construction flows during 2020 and will have sufficient water to fully supply all three parts of the development by the end of 2020. The water demand estimates presented here are upper boundaries for our own planning and final water use may be reduced by installation of low flow fixtures and water efficient landscaping.

CROSSROADS - 45 ACRES

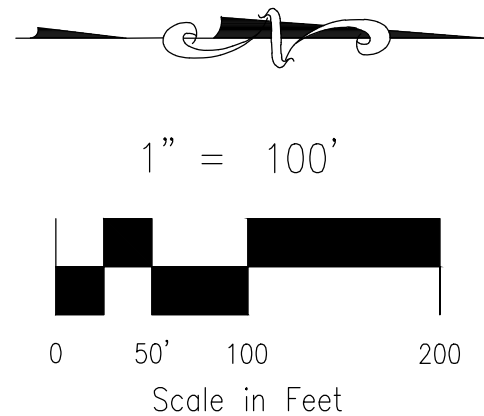
SITE UTILITY EXHIBIT



UTILITY PROVIDER

GAS – COLORADO SPRINGS UTILITIES
ELECTRIC – COLORADO SPRINGS UTILITIES
WATER – CHEROKEE METRO DISTRICT
SANITARY – CHEROKEE METRO DISTRICT
STORM SEWER – EL PASO COUNTY

- LEGEND**
- EXISTING CSU FORCE MAIN
 - EXISTING WATER MAIN CHEROKEE MD
 - EXISTING GRAVITY SANITARY SEWER CHEROKEE MD
 - PROPOSED GRAVITY SANITARY SEWER CHEROKEE MD
 - PROPOSED WATER MAIN CHEROKEE MD
 - PROPOSED CSU FORCE MAIN RELOCATION
 - REAGAN RANCH FORCE MAIN (2)
 - EXISTING FIBER OPTIC
 - EXISTING OVERHEAD ELECTRIC
 - EXISTING GAS
 - EXISTING WATER WELL
 - EXISTING STORM SEWER
 - EXISTING STORM SEWER MANHOLE
 - EXISTING UNDERGROUND ELECTRIC
 - EXISTING UNDERGROUND TELEPHONE
 - EXISTING WATER
 - TEST HOLE

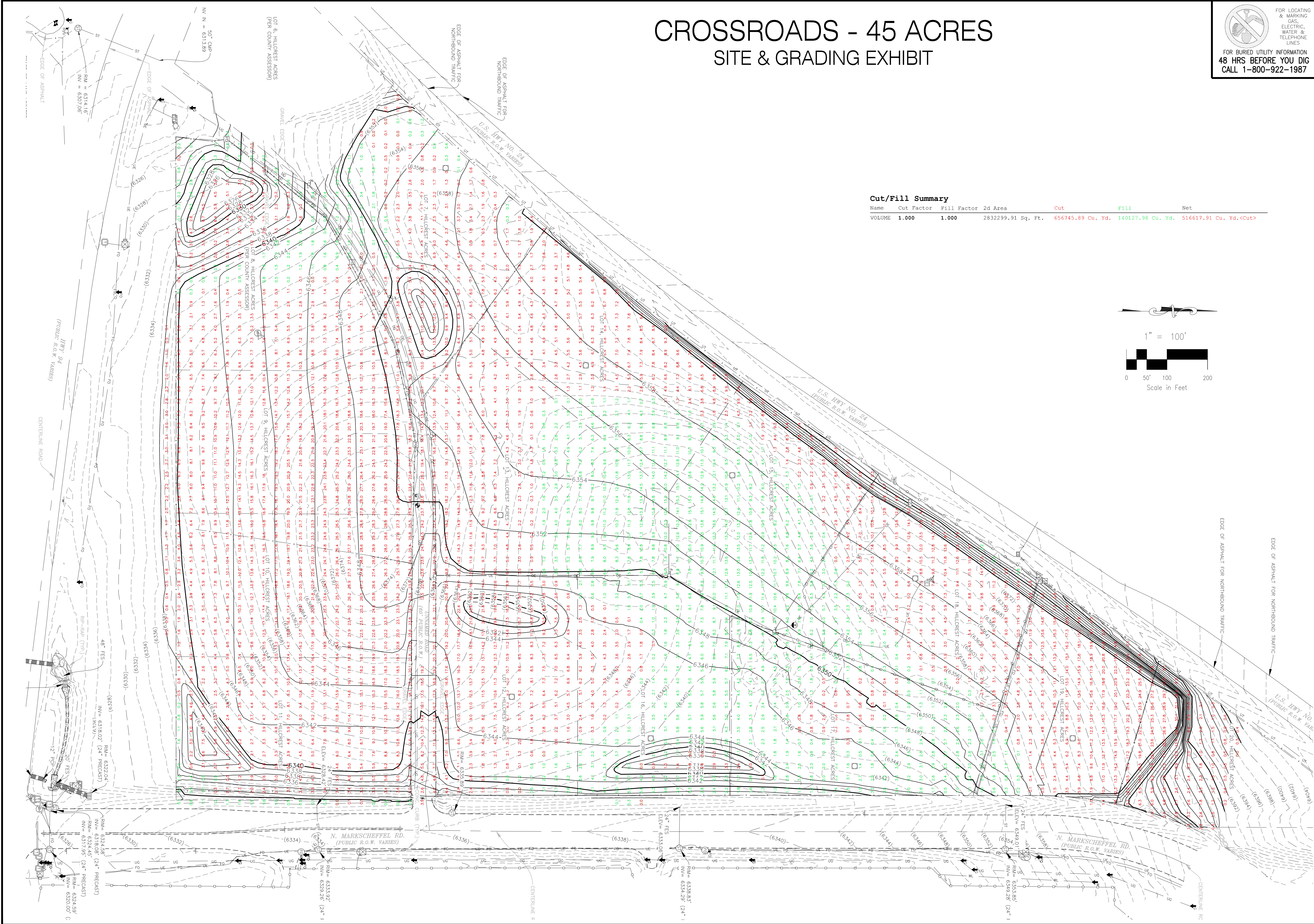


CROSSROADS – 45 ACRES
SITE UTILITY EXHIBIT
18-001

M&S
CIVIL CONSULTANTS, INC.

102 E. PIKES PEAK AVE., 5TH FLOOR
COLORADO SPRINGS, CO 80903
PHONE: 719.955.5485

APRIL 7, 2020



CROSSROADS - 45 ACRES

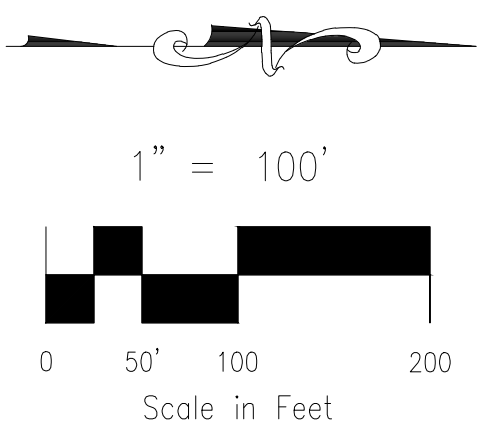
SITE & GRADING EXHIBIT



FOR LOCATING & MARKING GAS, ELECTRIC, WATER & TELEPHONE LINES

FOR BURIED UTILITY INFORMATION
48 HRS BEFORE YOU DIG
CALL 1-800-922-1987

Cut/Fill Summary					
Name	Cut Factor	Fill Factor	Zd Area	Cut	Fill
VOLUME	1.000	1.000	2832299.91 Sq. Ft.	656745.89 Cu. Yd.	140127.98 Cu. Yd.
					516617.91 Cu. Yd.<Cut>



CROSSROADS - 45 ACRES

SITE & GRADING EXHIBIT

PROJECT NO. 18-001

DATE: 1-20-2020

SCALE: HORIZONTAL: 1"=100' VERTICAL: N/A

DESIGNED BY: VAS

DRAWN BY: JWP

CHECKED BY: VAS

SHEET 1 OF 1

###

102 E. PIKE PEAK AVE., 3RD FLOOR
COLORADO SPRINGS, CO 80903
PHONE: 719.555.5485



CIVIL CONSULTANTS, INC.

FOR AND ON BEHALF OF
M&S CIVIL CONSULTANTS, INC.

REVISIONS:

NO.	DATE:	BY:	DESCRIPTION:	APPROV. BY:	DATE:

THE ENGINEER PREPARING THESE PLANS WILL NOT BE RESPONSIBLE, OR LIABLE FOR, UNAUTHORIZED CHANGES TO OR USES OF THESE PLANS. ALL CHANGES TO THE PLANS MUST BE IN WRITING AND MUST BE APPROVED BY THE PREPARER OF THESE PLANS.

CAUTION





SITE DATA				
USE	SITE AREA	BUILDING AREA	PARKING	SITE UTILIZATION
HOME IMPROVEMENT	11.40 AC	127,000 SF	425	25.6%
FURNITURE	9.33 AC	114,000 SF	350	23.0%
THEATER	8.00 AC	52,000 SF	388	14.92%
RESTAURANT	3.00 AC	11,000 SF	132	8.42%
GAS/CONVENIENCE	2.00 AC	5,000 SF	27	5.74%
FAST FOOD	1.35 AC	3,800 SF	41	6.46%
TIRE CENTER	1.30 AC	7,200 SF	26	12.71%
FAST FOOD	1.25 AC	2,800 SF	45	5.2%
UNASSIGNED	2.74 AC	-	-	-
ROAD R.O.W	.76 AC	-	-	-
W.Q. DETENTION	2.50 AC	-	-	-
TOTAL	44.68 AC	322,800 SF	1,434	102.05%

CROSSROADS METROPOLITAN DISTRICT NOS. 1 & 2

EL PASO COUNTY, COLORADO

Date: August 26, 2020

SERVICE PLAN
FOR
CROSSROADS METROPOLITAN DISTRICT NOS. 1 & 2

Prepared by:

SPENCER FANE LLP
Attention: Russell W. Dykstra
1700 Lincoln Street, Suite 2000
Denver, CO 80203-4554
Phone: 303-839-3845
E-mail: rdykstra@spencerfane.com

DRAFT: August 26, 2020

Applicant

Developer:

The Equity Group LLC
Attention: Danny Mientka
90 South Cascade Avenue, Suite 1500
Colorado Springs, CO 80903

Proposed Initial Directors:

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—
—
—

Consultants:

Engineers –
Underwriter – D.A. Davidson

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EXHIBITS

- A. Maps and Legal Descriptions
 - 1. Vicinity Map
 - 2. Initial District Boundaries Legal Descriptions
 - 3. Initial District Boundaries Maps
 - 4. Additional Inclusion Areas Legal Description
 - 5. Additional Inclusion Areas Map
 - 6. 5-Mile Radius Map
- B. Development Summary
- C. Infrastructure Capital Costs
- D. Financial Plan Summary
- E. Annual Report and Disclosure Form

I. EXECUTIVE SUMMARY

The following is a summary of general information regarding the proposed Districts provided for the convenience of the reviewers of this Service Plan. Please note that the following information is subject in all respects to the more complete descriptions contained elsewhere in this Service Plan.

Proposed Districts:	Crossroads Metropolitan District Nos. 1 & 2
Property Owner:	Colorado Springs Equities LLC Schedule Numbers: 5408007005, 5408001029, 5408001034, 5408001008, 5408001042, 5408001041, 5408001050, 5408001033, 5408001032, 5408001051, 5408001052
Developer:	The Equity Group LLC
Description of Development:	The boundaries of the proposed District No. 1 consist of approximately 29.04 acres of land located southwest of the intersection of Highway 24 and Highway 94 and the boundaries of the proposed District No. 2 consist of approximately 41.42 acres of land located northwest of the intersection of Highway 94 and Marksheffel Road in El Paso County. The property within the boundaries of District No. 1 is intended to be developed into mixed use development, including approximately 50,000 square feet of retail and a medical office building (see Page 3 of the financial plan information for District No. 1 provided as part of Exhibit D). The property within the boundaries of District No. 2 is intended to be developed into approximately 323,000 square feet of retail and restaurants, and possibly a sports park (see Page 3 of the financial plan information for District No. 2 provided as part of Exhibit D). The amount of commercial square footage remains an estimate and may be altered depending on the final outcome of the development approval process.
Proposed Improvements to be Financed:	Proposed completion of an estimated \$48,500,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, drainage, traffic and safety, and park and recreation improvements. The foregoing cost estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of the Developer's control, e.g., increased construction costs and inflation. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.)

will be significantly higher and will materially increase the overall development costs.

Proposed Ongoing Services:

The Developer and the proposed Districts intend to work with existing overlapping service providers to obtain the necessary consents and/or approvals for the provision of necessary services to the Districts including, but not limited to, water, wastewater, streets, drainage, fire protection services, and parks and recreation. Because the overall development remains in its infancy, 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, wastewater, and fire protection services once the necessary improvements are constructed. It is anticipated that Cherokee Metropolitan District will provide water and sanitary sewer services. More information can be provided once determined and known. Additionally, the proposed Districts shall have the power and authority to provide other services as authorized under the Special District Act.

Infrastructure
Capital Costs:

Approximately \$48,500,000

Maximum Debt Authorization:

\$52,000,000 (combined for both Districts)

Proposed Maximum Debt Mill Levy:

50 Mills for each District

Proposed Maximum O & M Mill Levy:

10 Mills for each District

Proposed Maximum Mill Levies:

60 Mills inclusive of debt (up to 50 mills) and operations and maintenance (10 mills) for each District

Proposed Fees:

None anticipated at this time.

II. **DEFINITIONS**

The following terms are specifically defined for use in this Service Plan. For specific definitions of terms not listed below please also refer to the El Paso County Special District Policies, the El Paso County Land Development Code and Colorado Revised Statutes, as may be applicable.

Additional Inclusion Areas: means the property described in Section J of Article III, legally described in **Exhibit A.4**, and depicted on the map found in **Exhibit A.5** that is anticipated for future inclusion into the boundaries of the Districts, together with other real property located within a five (5) mile radius of the combined area described in **Exhibits A.4, A.5, and A.6** that may be included upon petition of the property owners thereof.

Annual Report and Disclosure Statement: means the statement of the same name required to be filed annually with the Board of County Commissioners pursuant to Resolution 06-472 as may be amended.

Board(s): means the board of directors of any District, or in the plural, the boards of directors of all the Districts.

Board of County Commissioners: means the Board of County Commissioners of El Paso County.

Conventional Representative District: means a Title 32 special district, which is structured to allow all residents and property owners to participate in elections for the Board of Directors, as otherwise allowed by Statute.

County: means El Paso County, Colorado

Debt: means bonds or other obligations for the payment of which the Districts have promised to impose an *ad valorem* property tax mill levy without such promise being subject to annual appropriation.

Developer Funding Agreement: An agreement of any kind executed between a special district and a Developer as this term is specifically defined below, including but not limited to advance funding agreements, reimbursement agreements or loans to the special district from a Developer, where such an agreement creates an obligation of any kind which may require the special district to re-pay the Developer. The term “Developer” means any person or entity (including but not limited to corporations, venture partners, proprietorships, estates and trusts) that owns or has a contract to purchase undeveloped taxable real property greater than or equal to ten percent (10%) of all real property located within the boundaries of the special district. The term “Developer Funding Agreement” shall not extend to any such obligation listed above if such obligation has been converted to Debt issued by the special district to evidence the obligation to repay such Developer Funding Agreement, including the purchase of such Debt by a Developer.

District No. 1: means the Crossroads Metropolitan District No. 1 as described in this Service Plan.

District No. 2: means the Crossroads Metropolitan District No. 2.

External Financial Advisor: means a consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer’s Municipal Market Place; and (iii) is not an officer or employee of the District for which External Advisor Services are being rendered; and (iv) has not

been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Gallagher Adjustment: means an allowed adjustment to the Maximum Debt Service Mill Levy or Maximum Operational Mill Levy intended to offset the effect of adjustments to the ratio between market value and assessed value of taxable property within the applicable District that would cause a reduction in the revenue otherwise produced from such Maximums based on the ratio between market value and assessed value as of January 1 in the year in which the applicable District's organizational election is held.

Initial District Boundaries: means the initial boundaries of the Districts as described in **Exhibit A.3** and as legally described in the legal description found at **Exhibit A.2**.

Local Public Improvements: means facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, but which do not qualify under the definition of Regional Public Improvements. Examples would include local streets and appurtenant facilities, water and sewer lines which serve individual properties and drainage facilities that do not qualify as reimbursable under adopted drainage basin planning studies.

Material Modification: has the meaning described in Section 32-1-207, C.R.S., as it may be amended from time to time, which, among other things, outlines what constitutes a material modification and the procedure for making a modification to a service plan.

Maximum Combined Mill Levy: The maximum combined ad valorem mill levy the applicable District may certify against any property within said District for any purposes.

Maximum Debt Authorization: means the maximum principal amount of Debt that the Districts combined may have outstanding at any time, which under this Service Plan is \$52,000,000.

Maximum Debt Service Mill Levy: The maximum ad valorem mill levy the applicable District may certify against any property within said District for the purpose of servicing any Debt incurred by or on behalf of said District.

Maximum Operational Mill Levy: The maximum ad valorem mill levy the applicable District may certify against any property within said District for the purposes providing revenues for ongoing operation, maintenance, administration or any other allowable services and activities other than the servicing of Debt.

Planning and Community Development Department: The department of the County formally charged with administering the development regulations of the County.

Public Improvements: Those improvements constituting Regional Public Improvements and Local Public Improvements collectively including, but not limited to, on and off-site improvements such as on and off-site streets, roadway, water and sanitary sewer, drainage,

traffic and safety, and park and recreation improvements.

Regional Public Improvements: Facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, and which serve the needs of the region.

Revenue Obligations: means bonds or other obligations not subject to annual appropriation that are payable from a pledge of revenues other than *ad valorem* property taxes.

Service Plan: means this Service Plan for the Districts.

Special District Act: means Section 32-1-101, et seq., of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Underlying Land Use Approvals: means Board of County Commissioners approval of the applicable land use plans that form the basis for the need for the Districts and its proposed financing plan and/or services. Such approvals may be in the form of one or a combination of Sketch Plans, Generalized Planned Unit Development (PUD) Development Plans, site-specific PUD plans, or subdivision plans.

III. INTRODUCTION

A. Overall Purpose and Intent.

The Districts will be created pursuant to the Special District Act, and are being created with a Conventional Representative District structure under El Paso County policies. The Districts are independent units of local government, separate and distinct from the County, and, except as may otherwise be provided for by State or local law or this Service Plan, their activities are subject to review by the County only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the Districts, in their discretion, will provide a part or all of various Public Improvements, as defined herein, necessary and appropriate for the development of a project within the unincorporated County to be known as “Crossroads” (the “Project”). The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants, property owners and taxpayers of the Districts. The primary purpose of the Districts will be to finance the construction of these Public Improvements. Additional major purposes may consist of park and recreation purposes, including a sports park.

The Districts are both anticipated to include commercial development. Each District is expected to construct the Public Improvements and produce the required revenue to fund the Public Improvements and any operations and maintenance costs.

B. Need For The Districts.

There is a need for creation of the Districts. First, the Districts’ formation is part of a

larger master development plan that will serve the surrounding area. This master development plan will include the development of major Regional Public Improvements, including the extension of Meadowbrook Parkway through to Peterson Road, a project the County has an interest in seeing completed. A multiple district structure is needed to facilitate the development of the considerable Public Improvements, as such development will need to occur in multiple phases. In addition, phasing of development will allow for more efficient financing for the overall project. Second, as the Public Improvements are significant, the development of the Public Improvements will need to rely on the public financing tools that are available to special districts. Third, there are currently no other governmental entities, including the County, located in the immediate vicinity of the Districts that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Special districts that are in the vicinity of the project are unable to provide or fund the significant public improvements needed to serve the project. Meadowbrook Crossing Metropolitan District, which is located adjacent to the Districts, is a residential district and does not have the ability or the desire to undertake a new development as it could adversely affect the current residents and property owners. Based on the foregoing, formation of the Districts is necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. County Objectives In Forming The Districts.

The County recognizes the Districts as independent quasi-municipal entities which are duly authorized for the purposes and functions identified in the Service Plan. Future County involvement in the affairs of the Districts will generally be limited to functions as required by the Colorado Revised Statutes, reporting and disclosure functions, determinations as to compliance with the limits as set forth in this Service Plan or any conditions attached to its approval, as well as additional activities or relationships as may be stipulated in any intergovernmental agreements which may be entered in to between the Districts and the County in the future.

In approving this Service Plan the objectives of the County include an intent to allow the applicant reasonable access to public tax-exempt financing for reasonable costs associated with the generally identified Public Improvements and to allow the applicant the ability to prudently obligate future property owners for a reasonable share of the repayment costs of the Public Improvements which will benefit the properties within the Districts.

It is the additional objective of the County to allow for the Districts to provide for the identified ongoing services which either cannot or will not be provided by the County and/ or other districts.

In approving these Districts as a Conventional Representative Districts, it is also an objective of the County to maximize opportunities for full representative participation on the part of future eligible electors. However, because many of the critical financing decisions will be made prior to the existence of resident electors, it is the further intent of the County to accommodate and allow for reasonable and constructive ongoing notice to future property owners of the probable financial impacts associated with owning property within the Districts.

D. Multiple District Structure.

1. Multiple District Structure. Multiple Districts are being proposed for the Project in order to permit the provision of the Public Improvements according to the phasing and pace of development as discussed further below. This structure will also promote the equitable allocation of the costs of the Public Improvements and related services among properties within the Project.

Each District will have the authority to manage the construction, acquisition, installation and operation of the Public Improvements and will be responsible for providing the funding and tax base needed to support the plan for financing the Public Improvements and for operation, maintenance and administrative costs. It is anticipated that the Districts will consist of commercial development. The allocation of responsibility for all such functions among the Districts may occur in any combination based upon the best interests of the property owners and residents within the Project.

Each District will be authorized to provide improvements and services, including but not limited to acquisition of completed improvements, to the property within and without their respective legal boundaries, as they may be amended from time to time. Debt may be issued by the Districts as appropriate to deliver the improvements and services to the property within the Project.

Due to the interrelationship between the Districts and the Project as a whole, various agreements are expected to be executed by one or more of the Districts clarifying the respective responsibilities and the nature of the functions and services to be provided by each District. The agreements will be designed to help assure the orderly development of essential services and facilities resulting in a community that is an aesthetic and economic asset to the County.

2. Benefits of Multiple District Structure. The use of a multiple district structure as described in this Service Plan serves the best interests of the County, the applicant and the future taxpayers within the Districts. The benefits of using the multiple district structure include: (a) coordinated administration of construction and operation of public improvements and delivery of those improvements in a timely manner; and (b) assurance that improvements required by the County are constructed in a timely and cost effective manner.

a. Coordinated Services. As presently planned, development of the Project will proceed in phases, which will require the extension of public services and facilities. The multiple district structure will assure that the construction and operation of each phase of Public Improvements will be administered consistent with a long-term construction and operations program. Use of a multiple district structure to direct financing, construction, acquisition and installation of improvements and for management of operation and maintenance needs will facilitate a well-planned financing effort through all phases of construction, which will assist in the coordinated extension of services.

b. Debt Allocation. Allocation of the responsibility for paying debt for capital improvements will be managed through development of a unified financing plan for these improvements and through development of an integrated operating plan for long-term operations and maintenance for those improvements that are not dedicated to and accepted by the County or other

governmental entity, but retained by the Districts as appropriate. Intergovernmental agreements will assure that no area within the Project becomes obligated for more than its share of the costs of capital improvements and operations. Neither high nor low-density areas will bear a disproportionate burden of debt and operating costs. Additionally, equity is also promoted due to the fact that there must be a rational relationship between the land that is subject to a district's mill levy and the improvements or services being funded. Allocation of public improvement costs between the Districts will be determined at the time of construction and funding. Each District will help fund the costs within its boundaries and will contribute a proportionate share of the costs for regional or shared improvements.

3. Transition to Single District Structure. Once the Districts have achieved full development, including completion of (i) the necessary on and off-site public improvements; (ii) the contemplated commercial development components; and (iii) repayment of all outstanding debt, the Districts may thereafter take the appropriate steps to transition to a single district structure.

E. Specific Purposes - Facilities and Services.

Each of the Districts are authorized to provide the following facilities and services and those further described in the Special District Act, both within and without the boundaries of the Districts as may be necessary:

1. Water. The Districts shall have the power and authority to finance, design, construct, acquire, 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 rules and regulations. It is anticipated that Cherokee Metropolitan District will provide water services to the property within the Districts' boundaries pursuant to its development guidelines and rules and regulations. The Districts will fund and construct the necessary water improvements and convey such improvements to Cherokee for ownership, operations, and maintenance as the service provider.

2. Sanitation. The Districts shall have the power and authority to finance, design, construct, acquire, 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 rules and regulations. It is anticipated that the Districts will construct the sanitary sewer improvements and then convey such improvements, including the water and sewer mains, to Cherokee Metropolitan District, which will provide sanitation services to the property within the

Districts' boundaries pursuant to its development guidelines and rules and regulations. The Districts will fund and construct the necessary sewer improvements and convey such improvements to Cherokee for ownership, operations, and maintenance as the service provider. End users will own service lines per the rules and regulations of Cherokee Metropolitan District. Notwithstanding the foregoing, the Districts shall not assess tap fees for services Cherokee Metropolitan District provides to the properties within the Districts.

3. Street Improvements, Transportation and Safety Protection. The Districts shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial and collector streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that most of the foregoing street improvements, except underground utilities, will be dedicated by the Districts to the County upon completion and, following acceptance by the County, the County will own, operation and maintain such street improvements.

4. Drainage. The Districts shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, 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 rules and regulations.

5. Parks and Recreation. The Districts shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, landscaping, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, picnic areas, common area landscaping, streetscaping, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, 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 rules and regulations.

The Districts shall not have the authority to apply for or utilize any Conservation Trust ("Lottery") funds without the express prior consent of the Board of County Commissioners. The Districts shall have the authority to apply for and receive any other grant funds, including, but not limited to, Great Outdoors Colorado (GOCO) discretionary grants. Such approval, although required, is not considered to be a material modification which would require the need to

revise this Service Plan.

6. Mosquito Control. The Districts shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for the eradication and control of mosquitoes, including but not limited to elimination or treatment of breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control.

7. Fire Protection. 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.

8. Television Relay and Translation. The Districts shall have the power and authority to finance, design, construct, install, acquire, operate, and maintain television relay and translator facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

9. Security Services. The Districts shall have the power and authority to provide security services within the boundaries of the Districts, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as it may be amended from time to time, which addresses security services as an additional power of a metropolitan district under certain circumstances. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the El Paso County Sheriff's Department) within the boundaries of the Districts.

10. Solid Waste Disposal. The Districts have no plans to provide solid waste disposal services.

11. General. Because the overall development remains in its infancy, 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, wastewater, and fire protection services, including Cherokee Metropolitan District, once the necessary improvements are 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 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, improvements and appurtenances not otherwise dedicated to and accepted by any Provider Jurisdiction, subject to any applicable County rules and regulations.

F. Other Powers.

1. Amendments. The Districts shall have the power to amend this Service Plan as needed, subject to appropriate statutory procedures as set forth in Section 32-1-207, C.R.S., as it may be amended from time to time, which, among other things, outlines what constitutes a material

modification and the procedure for making a modification in a service plan.

2. Authority to Modify Implementation of Financing Plan and Public Infrastructure. Without amending this Service Plan, the Districts may defer, forego, reschedule or restructure the financing and construction of certain improvements and facilities, to better accommodate the pace of growth, resources availability, and potential inclusions of property within the Districts.

G. Other Statutory Powers.

The Districts may exercise such powers as are expressly or impliedly granted by Colorado law, if not otherwise limited by the Service Plan or its conditions of approval.

H. Eminent Domain.

The Districts may exercise the power of eminent domain only as necessary to further the clear public purposes of the Districts. Currently, the Districts do not expect to use the power of eminent domain.

The power of eminent domain shall be limited to the acquisition of property that the applicable District intends to own, control or maintain by the applicable District or other governmental entity and is for the material use or benefit of the general public. The term “material use or benefit for the general public” shall not include the acquisition of property for the furtherance of an economic development plan, nor shall it include as a purpose an intent to convey such property or to make such property available to a private entity for economic development purposes. The phrase “furtherance of an economic development plan” does not include condemnation of property to facilitate public infrastructure that is necessary for the development of the Project.

I. Intergovernmental Agreements (IGAs).

The Districts are authorized to enter into IGAs to the extent permissible by law. As of the date of approval of this Service Plan, and as noted below, the Districts intend to enter into an intergovernmental agreement which shall govern the relationships by and between the Districts with respect to the financing, construction and operation of the improvements contemplated herein. The Districts will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements. As noted earlier, the multiple district structure fits within an intended multiple phase development plan. The phasing of development will allow for more efficient financing for the overall project.

J. Description Of Proposed Boundaries And Service Area.

1. Initial District Boundaries. A vicinity map showing the general location of the area that may be served by the Districts is included as **Exhibit A.1**. A map of the initially included properties is included as **Exhibit A.3**, with a legal description of boundaries included as **Exhibit A.2**. The property located within the Initial District Boundaries does not include property that has been

annexed into the City of Colorado Springs.

2. Additional Inclusion Areas/Boundary Adjustments. Additional inclusion areas are anticipated in addition to the initially included properties or outside of the Project. A map of the Additional Inclusion Areas is included as **Exhibit A.5**, with a legal description of the boundaries attached as **Exhibit A.4**. The Districts shall be authorized to include territory in accordance with applicable provisions of the Special District Act. Further, in order to accommodate the needs of Project phasing and other contingencies, the boundaries of the Districts may be adjusted via the inclusion or exclusion within the combined area of the Initial District Boundaries in accordance with the applicable provisions of the Special District Act. Notwithstanding the foregoing, the Districts are prohibited from including additional property within the Districts' boundaries if the property is within the corporate limits of the City of Colorado Springs without express prior consent of the City of Colorado Springs.

3. Extraterritorial Service Areas. The Districts do not anticipate providing services to areas outside of the Initial District Boundaries and Additional Inclusion Areas.

4. Analysis Of Alternatives. It is anticipated that the Districts, collectively, will undertake the financing and construction of the improvements contemplated herein. Specifically, the Districts shall enter into an intergovernmental agreement which shall govern the relationships between and among the Districts with respect to the financing, construction and operation of the improvements contemplated herein. The multiple district structure will support the phased development of the Project. The Districts will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements. As stated, neither the County nor any other public entity is available or willing to provide the Public Improvements required. Further, there are no other quasi-municipal corporations in the vicinity with sufficient debt capacity authorization to finance the infrastructure that is needed for the Project, which is anticipated to be both significant and costly. There are also not any quasi-municipal corporations in the area that have a vested interest in ensuring that the Project develops and the infrastructure functions as proposed.

5. Material Modifications/Service Plan Amendment. Material modifications of this Service Plan shall, at a minimum, trigger the need for prior approval of the Board of County Commissioners at an advertised public hearing and may require a need for a complete re-submittal of an amended Service Plan along with a hearing before the County's planning commission. For the purpose of this Service Plan the following changes shall be considered material modifications:

a. Any change in the basic services provided by the Districts, including the addition of any types of services not authorized by this Service Plan.

b. Any other matter which is now, or may in the future, be described as a material modification by the Special District Act.

c. Imposition of a mill levy in excess of any of the Maximum Mill Levies as authorized in this approved Service Plan.

d. Issuance of Debt in excess of the Maximum Debt Authorization authorized in this Service Plan.

e. Creation of any sub-districts as contemplated in the Special District Act.

f. Inclusion into any District of any property over five (5) miles from the combined area of the Initial District Boundaries.

IV. DEVELOPMENT ANALYSIS

A. Existing Developed Conditions.

At the present time there are no public improvements within the boundaries of the proposed Districts and there is no population.

B. Total Development At Project Buildout.

At complete Project build-out, development within the Districts is planned to consist of approximately 50,000 square feet of commercial development in District No. 1 (see Page 3 of the financial plan information for District No. 1 provided as part of Exhibit D) and approximately 323,000 square feet of commercial development in District No. 2, and which may also include a sports park (see Page 3 of the financial plan information for District No. 2 provided as part of Exhibit D). The rate of absorption is a projection based on information from the developer and is used for estimating the financial plan. There is no way to accurately predict absorption due to variables such as the economic factors, housing demand, land-use approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement. If absorption is delayed or accelerated, the bond issuance parameters will reflect those changes at the time of issuance.

C. Development Phasing And Absorption.

Absorption of the project is projected to take approximately four (4) years, estimated to begin in 2022 (year) and be completed in 2025 (year) and is further described in the Development Summary Table found at **Exhibit B**.

D. Status of Underlying Land Use Approvals.

The property located within District No. 1 is zoned Commercial Regional Zoning and does not require a zoning change. The property located within District No. 2 is currently zoned Commercial Regional and Industrial. The Developer is consolidating all zoning in District No. 2 to Commercial Regional and the proposed uses include retail, big box retail, quick serve restaurants, drug store, and medical office. The Developer is actively preparing the necessary land use submittals for the project and the submittal is scheduled for the week of August 31, 2020. The Developer has completed the Early Assistance meetings for the properties within both Districts and is currently preparing the Preliminary Plat and zoning submittals (zoning submittals are only needed for District

No. 2). Due to the overall size and scope of the project, the Developer is completing additional land planning and civil engineering to establish the placement of access roads, detention improvements, and other improvements before finalizing the Preliminary Plat. The Developer will submit the Preliminary Plat and zoning submittals prior to the public hearing on the Service Plan. The underlying land use and zoning submittals will align with the proposed development discussed herein and the County's Master Plan.

It is requested that the service plan approval process proceed in conjunction with the land use and zoning approval process. As discussed above, the Districts' formation is part of a larger master development plan that is intended to serve the surrounding area and therefore the Districts will support both on and offsite improvement development. This master-planned approach cannot succeed without the parallel formation of the Districts, as the Districts will provide the public financing tools needed to fund the project and major offsite public improvements must be completed prior to additional improvement. The Districts therefore need to be formed this year to allow for such financing for these types of improvements to materialize. Without such financing, the Developer will be unable to move forward on any of the pre-development District-related improvements. Additionally, the developer is currently negotiating with the Colorado Springs Airport for a long term lease of 20 acres, which is intended to be redeveloped as a sports park. District No. 2 is intended to be the lessee and therefore must be timely formed to demonstrate to Colorado Springs Airport a viable financing structure to accomplish the plans for development of the sports park. Further, if the organizational and debt election occurs this November, future purchasers will receive disclosure of the existence of the Districts. As such, approval of the Districts at this stage will facilitate the planning, implementation and financing of the engineering, design, intergovernmental agreements and other related activities necessary for this project to move forward.

V. INFRASTRUCTURE SUMMARY

Attached as **Exhibit C** is a summary of the estimated costs of Public Improvements which are anticipated to be required within these Districts and have been reviewed by civil engineers. A general description of the categories of Public Improvements is included in Section III.D. of this Service Plan. The total costs of the Public Improvement is estimated to be approximately \$48,500,000 in year 2020 dollars. It should be noted, though, the foregoing costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs. It is estimated that the Districts will finance up to approximately \$36,270,000 but the amount ultimately financed by the Districts will be subject to the Maximum Authorized Debt limit.

All Public Improvements will be designed and constructed in accordance with the standards of the governmental entity to which such Public Improvements will be dedicated (including, with respect to storm sewer and drainage facilities, the applicable NPDES standards), and otherwise in accordance with applicable El Paso County standards. The composition of specific Public Improvements will be determined in connection with applicable future land use and development approvals required by El Paso County rules and regulations.

VI. FINANCIAL PLAN SUMMARY.

A. Financial Plan Assumptions and Debt Capacity Model.

Attached at **Exhibit D** is a summary of development assumptions, projected assessed valuation, description of revenue sources (including applicable mill levies and fees) and expenses for both operations and debt service, and an overall debt capacity model associated with projected future development of the Project. The model demonstrates that the Districts are capable of providing sufficient and economic service within the Project, and that the Districts have or will have the financial ability to discharge the Districts' Debt on a reasonable basis. The financial model attached as **Exhibit D** is an example of the manner in which the Districts may finance the Public Improvements. The specific structure for financing the Public Improvements shall be determined in the discretion of the Boards of Directors of the Districts, subject to the limitations set forth in this Service Plan.

B. Maximum Authorized Debt.

The Districts are authorized to issue Debt up to \$52,000,000 in principal amount (total combined for all Districts). The debt issuance authorization is based upon the proposed completion of an estimated \$48,500,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, drainage, traffic and safety, and park and recreation improvements. The cost estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, the initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) which may well be significantly higher and will likely materially increase the overall development costs.

C. Maximum Mill Levies.

1. Maximum Debt Service Mill Levy. The Maximum Debt Service Mill Levy for each District shall be fifty (50) mills, subject to Gallagher Adjustment. All Debt issued by the Districts must be issued in compliance with the requirements of State law including, but not limited to, Section 32-1-1101, C.R.S., as it may be amended from time to time, which outlines the various financial powers of a special district.

2. Maximum Operational Mill Levy. The Maximum Operational Mill Levy Cap for each District shall be ten (10) mills, subject to Gallagher Adjustment.

3. Maximum Combined Mill Levy. The Maximum Combined Mill Levy for each District is 60 Mills, subject to Gallagher Adjustment.

Increases to or removal of any of the Maximum Mill Levies shall be subject to Board of County Commissioner approval without the need for a formal Service Plan Amendment (unless the Board otherwise requires).

D. Maximum Maturity Period For Debt.

The period of maturity for issuance of any Debt (but not including Developer Funding Agreements) shall be limited to no more than thirty (30) years without express, prior approval of the Board of County Commissioners. Such approval, although required, is not considered to be a Material Modification of the Service Plan which would trigger the need to amend said Service Plan. However, the Districts are specifically authorized to refund or restructure existing Debt so long as the period of maturity for the refunding or restructured Debt is no greater than 30 years from the date of the issuance thereof. The Districts must be authorized to refund or restructure existing Debt within these confines because if bonds are issued in the early part of a project as proposed, the interest rate is generally higher due to the reliance on future projected development. As that development is completed, there is less risk to the bond holders and the initial bonds are refunded and replaced with lower interest rate “permanent” bonds in order to lower the tax impact on residents. This is a common structure for new development bonds.

E. Developer Funding Agreements.

The Developer does intend to enter into Developer Funding Agreements with the Districts in addition to recovery of the eligible costs associated with creation of the Districts. It is anticipated that in the formative years the Districts will have shortfalls in funding its capital costs and monthly operations and maintenance expenses. The Developer may fund these obligations for the Districts to promote the Project’s development subject to the Developer being repaid from future District revenues.

Developer Funding Agreements may allow for the earning of simple interest thereon, but under no circumstances shall any such agreement permit the compounding of interest. The Developer Funding Agreements may permit an interest rate that does not exceed the prime interest rate plus two points thereon.

The maximum term for repayment of a Developer Funding Agreement shall be twenty (20) years from the date the District entering into such agreement becomes obligated to repay the Developer Funding Agreement under the associated contractual obligation. For the purpose of this provision, Developer Funding Agreements are considered repaid once the obligations are fully paid in cash or when converted to bonded indebtedness of the applicable District (including privately placed bonds). Any extension of such term is considered a Material Modification and must be approved by the Board of County Commissioners.

Required disclosure notices shall clearly identify the potential for the Districts to enter into obligations associated with Developer Funding Agreements.

F. Privately Placed Debt Limitation.

Prior to the issuance of any privately placed Debt, the District proposing such issuance shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of this Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S., as it may be amended from time to time, which defines “net effective interest rate” for purposes of the Special District Act) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

G. Revenue Obligations. The Districts shall also be permitted to issue Revenue Obligations in such amount as the Districts may determine. Amounts issued as Revenue Obligations are not subject to the Maximum Debt Authorization.

VII. OVERLAPPING TAXING ENTITIES, NEIGHBORING JURISDICTIONS

A. Overlapping Taxing Entities.

The directly overlapping taxing entities and their respective year 2019 mill levies for District No. 1 are as follows:

El Paso County	.007222
El Paso County Road and Bridge	.000330
Colorado Springs School No. 11	.051558
Pikes Peak Library District	.003731
Cimarron Hills Fire Protection District	.016200
Cherokee Metropolitan District	.000000
Total Existing Mill Levy:	<u>.079041</u>

The total mill levy including the initially proposed District’s mill levy is .139041 mills.

It is not anticipated that there will be any significant financial impacts to these entities.

The directly overlapping taxing entities and their respective year 2019 mill levies for District No. 2 are as follows:

El Paso County	.007222
El Paso County Road and Bridge	.000330
Colorado Springs School No. 11	.051558
Pikes Peak Library District	.003731
Cherokee Metropolitan District	.000000
Total Existing Mill Levy:	<u>.062841</u>

The total mill levy including the initially proposed District's mill levy is .122841 mills.

It is not anticipated that there will be any significant financial impacts to these entities.

B. Neighboring Jurisdictions.

The following additional taxing and/or service providing entities include territory within three (3) miles of the Initial District Boundaries (based upon information provided by the County Assessor's Office):

BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 1
CENTRAL COLORADO CONSERVATION DISTRICT
CENTRAL MARKSHEFFEL METROPOLITAN DISTRICT
CHEROKEE METROPOLITAN DISTRICT
CIMARRON HILLS FIRE PROTECTION DISTRICT
CITY OF COLORADO SPRINGS
COLORADO SPRINGS SCHOOL DISTRICT NO. 11
CONSTITUTION HEIGHTS METROPOLITAN DISTRICT
EL PASO COUNTY
EL PASO COUNTY CONSERVATION DISTRICT
EL PASO COUNTY PUBLIC IMPROVEMENT DISTRICT NO. 2
EL PASO COUNTY SCHOOL DISTRICT NO. 49
ELLCOTT METROPOLITAN DISTRICT
ELLCOTT SCHOOL DISTRICT NO. 22
FALCON FIRE PROTECTION DISTRICT
FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT
FIRST & MAIN BUSINESS IMPROVEMENT DISTRICT NO. 2
HARRISON SCHOOL DISTRICT NO. 2
MEADOWBROOK CROSSING METROPOLITAN DISTRICT
PATRIOT PARK METROPOLITAN DISTRICT NOS. 1 & 2
PETERSON GATEWAY METROPOLITAN DISTRICT
PIKES PEAK HEIGHTS METROPOLITAN DISTRICT
PIKES PEAK LIBRARY DISTRICT
SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT
THE SANDS METROPOLITAN DISTRICT NOS. 1-4
WESTGATE METROPOLITAN DISTRICT
WIDEFIELD SCHOOL DISTRICT NO. 3

Anticipated relationships and impacts to these entities: As noted previously, the Developer and the Districts intend to work with any overlapping service providers to obtain the necessary consents and/or approvals for the provision of necessary services to the Districts including, but not limited to, water, wastewater and fire protection services.

VIII. DISSOLUTION

A. Consolidation. It is the intent of the Districts to consolidate or dissolve upon payment or defeasance of all Debt incurred, as well as when the Districts have been fully developed, all public improvements provided for in the Service Plan have been completed, or upon a court determination that adequate provision has been made for the payment of all Debt, and adequate provision for continuation or assignment and assumption of all operations and maintenance responsibilities for the District improvements and at such time as the District(s) do not need to remain in existence to discharge their financial obligations or perform their services.

B. Dissolution. Upon an independent determination of the Board of County Commissioners that the purposes for which a particular District was created have been accomplished, such District agrees to file a petition in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

C. Administrative Dissolution. The Districts shall be subject to administrative dissolution by the Division of Local Government as set forth in Section 32-1-710, C.R.S., as it may be amended from time to time.

IX. COMPLIANCE

A. An Annual Report and Disclosure Form will be required and submitted as described in C.R.S. 32-1-207(3)(d), as it may be amended from time to time, and as further articulated by Board of County Commissioners Resolution No. 07-273, which Resolution adopted the County's model service plan.

B. Material Modifications of this Service Plan shall be subject to the provisions contained in Section 32-1-207, C.R.S., as it may be amended from time to time, and relates to approvals and notices thereof.

X. MISCELLANEOUS

The following is additional information to further explain the functions of the Districts:

A. Special District Act

The contemplated municipal services are under the jurisdiction of the Special District Act and not the Public Utilities Commission.

B. Disclosure to Prospective Purchasers

After formation of the Districts, and in conjunction with final platting of any properties within a particular District, the applicable Board of Directors of the District shall prepare a notice acceptable to the Planning and Community Development Department Staff informing all purchasers of property within the District of the District's existence, purpose and debt, taxing, and other revenue-raising powers and limitations. Such notice obligation shall be deemed satisfied by

recording the notice with this Service Plan and each final plat associated with the Project, or by such other means as the Planning and Community Development Department approves. Such notice shall be modified to address the potential for future Debt issuance which may be required to meet the obligations associated with loans incurred by the District. In conjunction with subsequent plat recordings, Planning and Community Development Department Staff is authorized to administratively approve updates of the disclosure form to reflect current information.

C. Local Improvements.

Prior to the financing of Local Public Improvements, and if required by County policy uniformly applied, agreements shall be in place to prevent a loss of sales tax revenue from sales of construction materials that would otherwise accrue to the County.

D. Service Plan not a Contract.

The grant of authority contained in this Service Plan does not constitute the agreement or binding commitment of the Districts enforceable by third parties to undertake the activities described, or to undertake such activities exactly as described.

E. Land Use and Development Approvals.

Approval of this Service Plan does not imply approval of the development of a specific area within the Project, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto. All such land use and development approvals shall be processed and obtained in accordance with applicable El Paso County rules, regulations and policies.

XI. CONCLUSION

It is submitted that this Service Plan for the Districts establishes that:

A. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed Districts;

B. The existing service in the area to be served by the proposed Districts is inadequate for present and projected needs;

C. The proposed Districts are capable of providing economical and sufficient service to the Project;

D. The area to be included in the proposed Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;

E. Adequate service is not, and will not be, available to the area through the County or other existing municipal or quasi-municipal corporations, including existing special districts,

within a reasonable time and on a comparable basis;

F. The facility and service standards of the proposed Districts are compatible with the facility and service standards of the County;

G. The proposal is in substantial compliance with the County master plan.

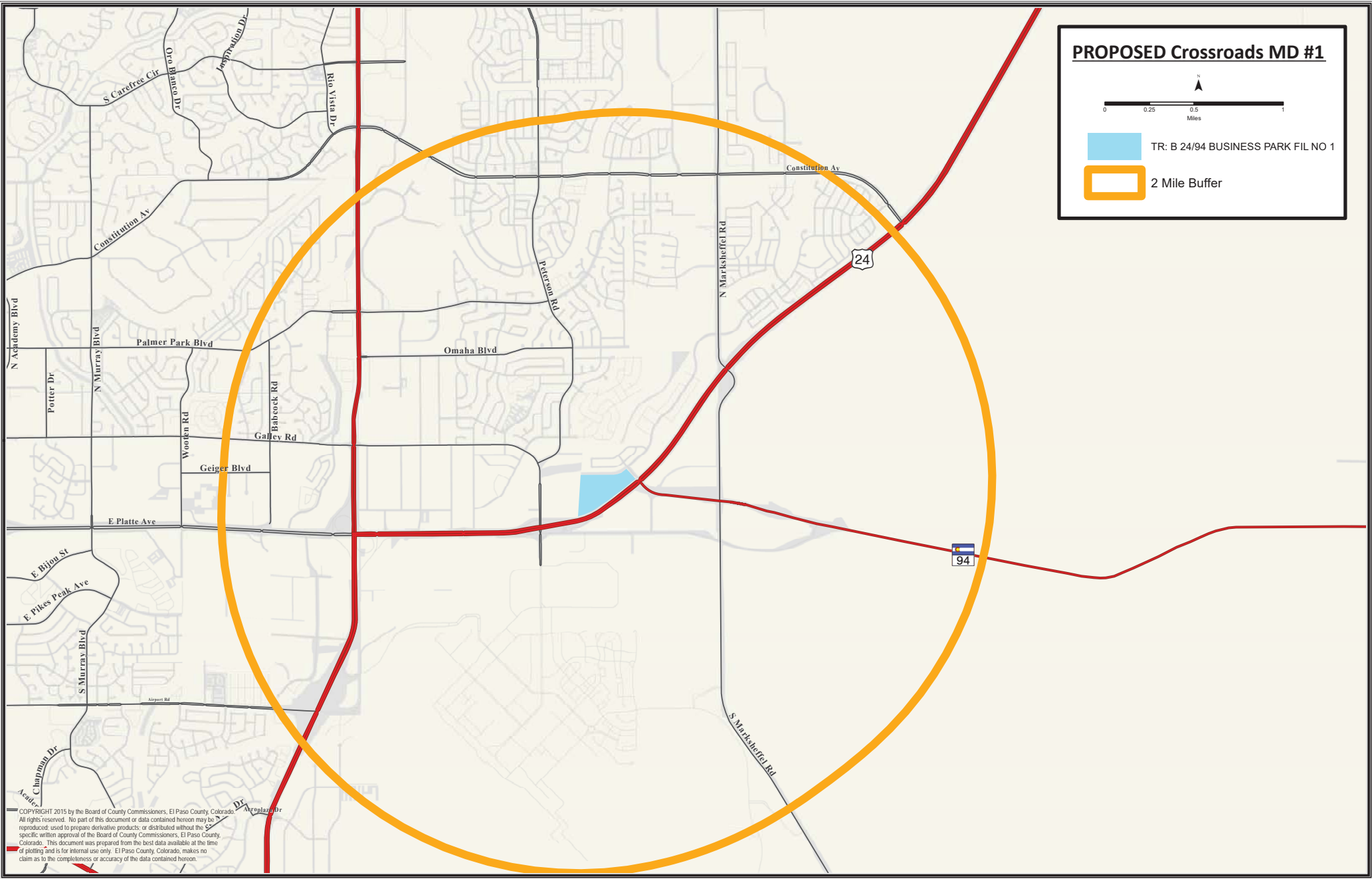
H. The creation of the proposed Districts is in the best interests of the area proposed to be served.

EXHIBIT A

MAPS AND LEGAL DESCRIPTIONS

1. Vicinity Map
2. Initial District Boundaries Legal Descriptions
3. Initial District Boundaries Maps
4. Additional Inclusion Areas Legal Description
5. Additional Inclusion Areas Map
6. 5-Mile Radius Map

EXHIBIT A.1 – VICINITY MAP



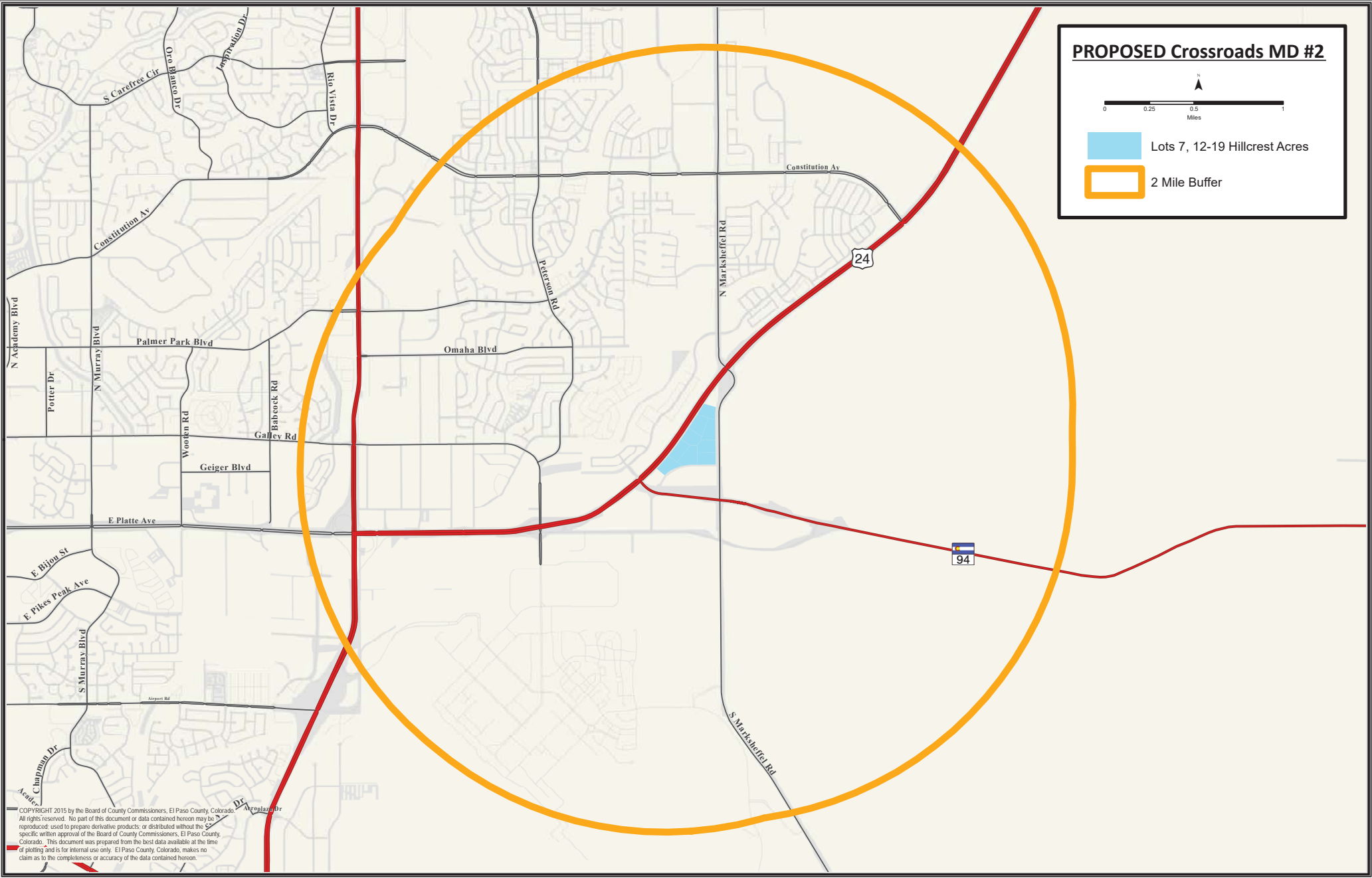


EXHIBIT A.2 – INITIAL DISTRICT BOUNDARY LEGAL DESCRIPTIONS

CROSSROADS METROPOLITAN DISTRICT NO. 1
PROPERTY INCLUSIONS
LEGAL DESCRIPTIONS

TRACT B, 24/94 BUSINESS PARK FILING NO. 1, COUNTY OF EL PASO, STATE OF COLORADO.

CROSSROADS METROPOLITAN DISTRICT NO. 2

PROPERTY INCLUSIONS

LEGAL DESCRIPTIONS

PARCEL A:

LOTS 12, 13, 14, 15, 16 AND 18, HILLCREST ACRES, EXCEPT THAT PORTION ACQUIRED BY THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO AS DESCRIBED IN RULE AND ORDER RECORDED APRIL 28, 2004 UNDER RECEPTION NO. 204068322, AND EXCEPT THOSE PORTIONS CONVEYED TO EL PASO COUNTY BY AND THROUGH THE BOARD OF COUNTY COMMISSIONERS OF EL PASO COUNTY, COLORADO BY SPECIAL WARRANTY DEED RECORDED DECEMBER 17, 2014 AT RECEPTION NO. 214116021 AND RECORDED DECEMBER 17, 2014 AT RECEPTION NO. 214116022, COUNTY OF EL PASO, STATE OF COLORADO.

PARCEL B:

LOT 7, HILLCREST ACRES, COUNTY OF EL PASO, STATE OF COLORADO, EXCEPT FOR THAT PORTION CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, BY DEED RECORDED FEBRUARY 21, 2002 UNDER RECEPTION NO. 202029244.

PARCEL C:

LOT 17, HILLCREST ACRES, COUNTY OF EL PASO, STATE OF COLORADO, EXCEPT THAT PORTION CONVEYED TO EL PASO COUNTY BY AND THROUGH THE BOARD OF COUNTY COMMISSIONERS OF EL PASO COUNTY, COLORADO BY SPECIAL WARRANTY DEED RECORDED DECEMBER 30, 2014 AT RECEPTION NO. 214119767, AND

LOT 19, HILLCREST ACRES, COUNTY OF EL PASO, STATE OF COLORADO, AS AMENDED BY SURVEYOR'S STATEMENT RECORDED JUNE 22, 1960 IN BOOK 1812 AT PAGE 136, EXCEPT THAT PORTION TAKEN BY DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO AS CONTAINED IN RULE AND ORDER RECORDED OCTOBER 13, 2004 UNDER RECEPTION NO. 204171223 AND EXCEPT

THAT PORTION CONVEYED TO EL PASO COUNTY BY AND THROUGH THE BOARD OF COUNTY COMMISSIONERS OF EL PASO COUNTY, COLORADO BY SPECIAL WARRANTY DEED RECORDED DECEMBER 30, 2014 AT RECEPTION NO. 214119768.

PARCEL D:

LOT 20, HILLCREST ACRES, EXCEPT THOSE PORTIONS CONVEYED IN DEED RECORDED JANUARY 20 1961 IN BOOK 1840 AT PAGE 498 AND IN DEED RECORDED APRIL 12, 2002 UNDER RECEPTION NO. 202058754 AND IN DEED RECORDED DECEMBER 30, 2014 AT RECEPTION NO. 214119796, COUNTY OF EL PASO, STATE OF COLORADO.

EXHIBIT A.3 – INITIAL DISTRICT BOUNDARIES MAPS



Crossroads Metropolitan District No. 1 - Initial Property Inclusion Map



Crossroads Metropolitan District No. 2 - Initial Property Inclusion Map



EXHIBIT A.4 – ADDITIONAL INCLUSION AREAS LEGAL DESCRIPTION

Future Inclusion Area

Legal Descriptions – Properties within Colorado Springs City limits

LOT 8 HILLCREST ACRES, EX PT TO HWY BY BK 6675-268 DES AS FOLS: BEG AT A PT ON WLY LN OF SD LOT 8 FROM WHICH THE SE COR OF LOT 5 IN SD SUB BEARS S 25<04'37" W 815.39 FT, TH S 07<08'20" W 87.21 FT TO SLY LN OF SD LOT 8, S 89<28'52" W 51.25 FT TO SW COR OF SD LOT, TH N 35<30'49" E 106.88 FT M/L TO POB

LOT 9 HILLCREST ACRES

LOT 10 HILLCREST ACRES

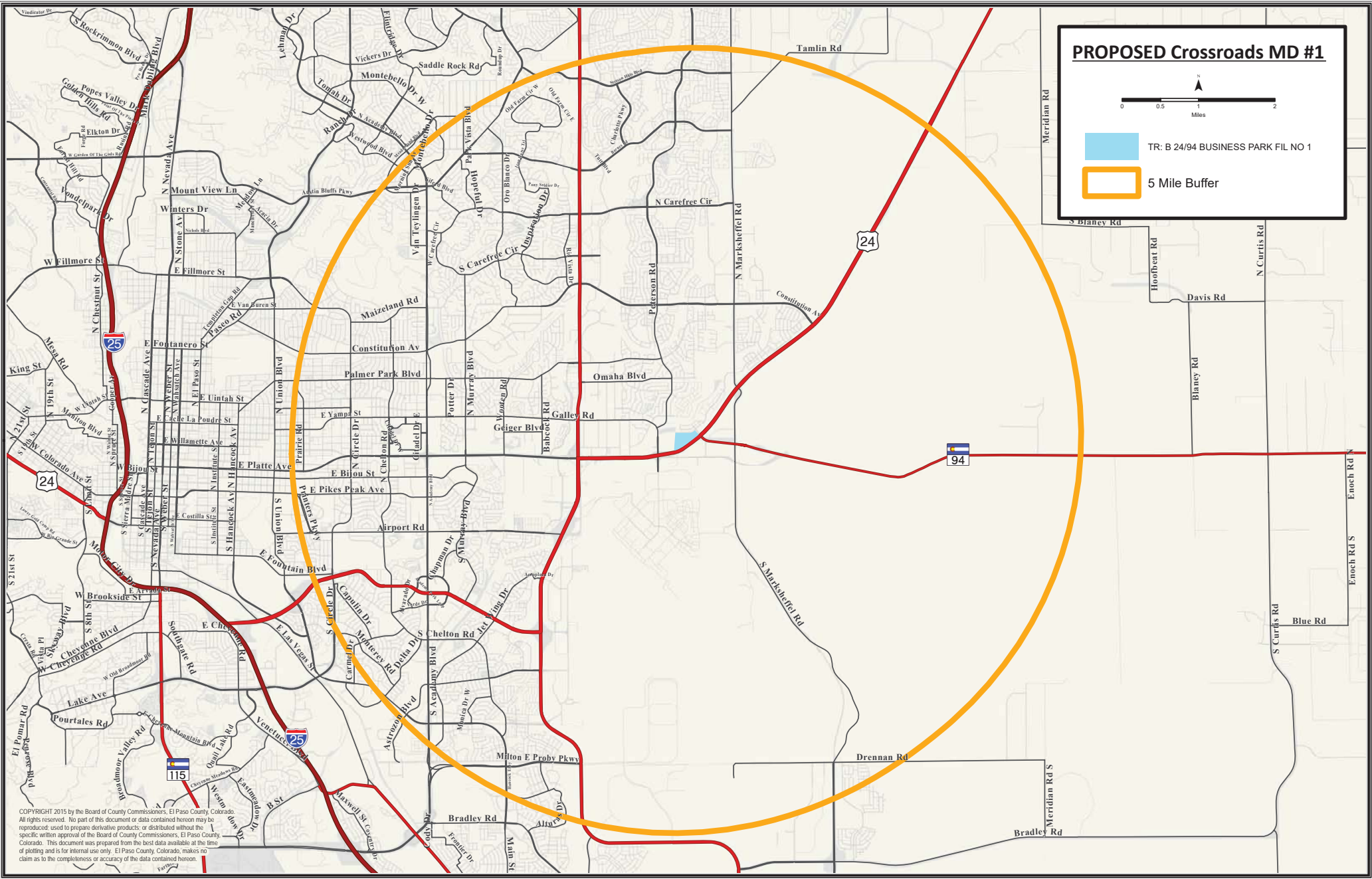
LOT 11 HILLCREST ACRES, EX PT TO HWY BY BK 6675-268 DES AS FOLS: BEG AT A PT ON NLY LN OF SD LOT 11 FROM WHICH THE SE COR OF LOT 5 IN SD SUB BEARS S 57<39'55" W 2331.30 FT, TH N 89<31'25" E 63.64 FT TO NE COR OF SD LOT 11, S 00<28'35" E 580.05 FT TO SE COR OF SD LOT, S 89<28'52" W 67.17 FT, TH N 00<07'41" W 580.11 FT M/L TO POB

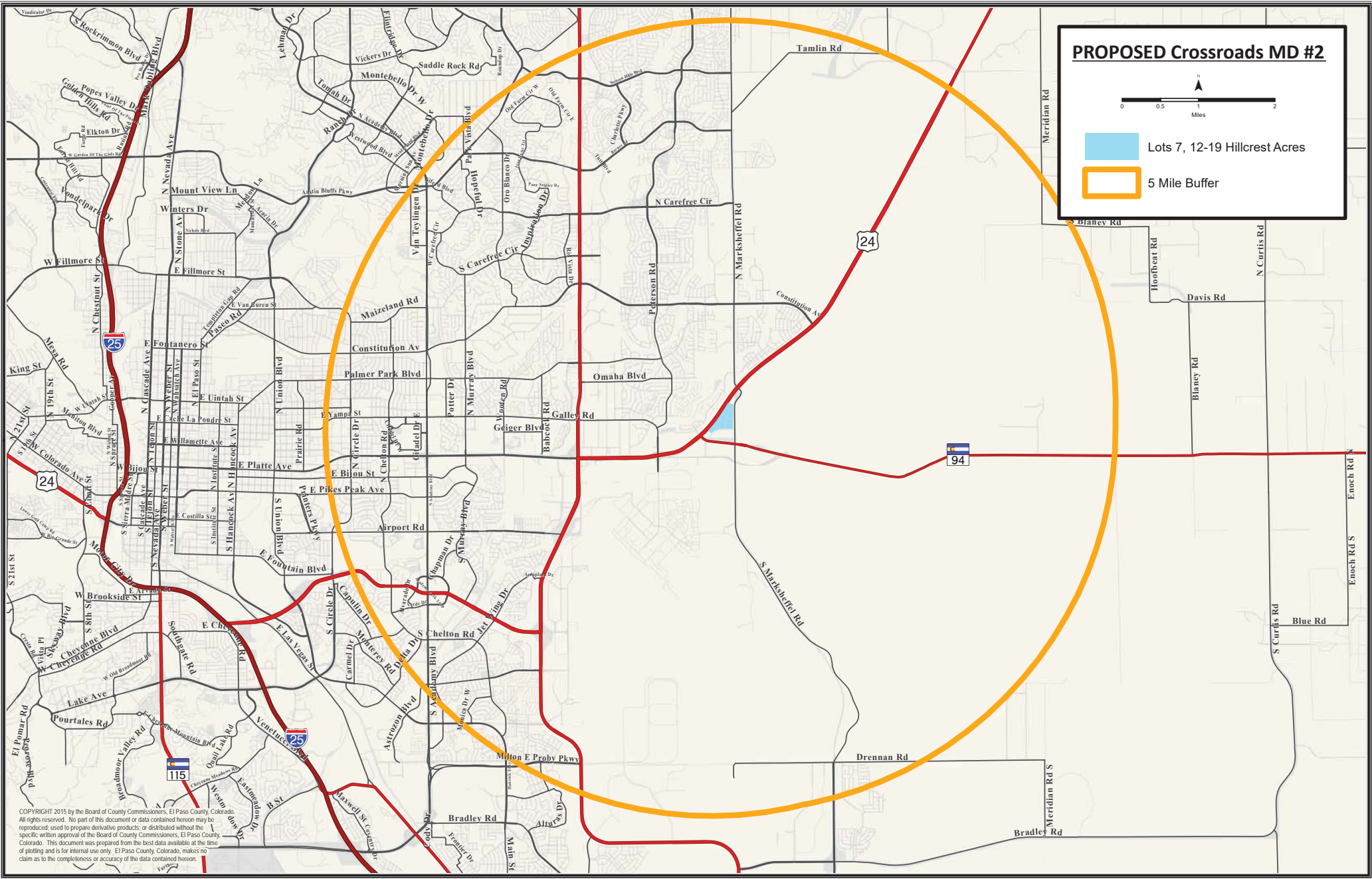
EXHIBIT A.5 – ADDITIONAL INCLUSION AREAS BOUNDARY MAP

Crossroads Metropolitan District No. 2 - Future Property Inclusion Area Map



EXHIBIT A.6 – 5-MILE RADIUS MAP





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EXHIBIT B

DEVELOPMENT SUMMARY

Approximately 50,000 square feet of commercial buildings and a medical office anchor are anticipated to be developed in District No. 1 and approximately 323,000 total square feet of commercial buildings are anticipated to be developed in District No. 2 with the possibility of a sports park in the future. The Financial Plan contained in **Exhibit D** demonstrates the project is expected to be completed by the end of 2025. However, due to current market conditions as a result of COVID-19, the Developer anticipates the project may not be completed until 2030. The number of square footage remains an estimate and may be altered depending on the final outcome of the development approval process. The rate of absorption is a projection based on information from the developer and is used for estimating the Financial Plan. There is no way to accurately predict absorption due to variables such as the economic factors, market demand, land-use approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement. If absorption is delayed or accelerated, the bond issuance parameters will reflect those changes at the time of issuance.

If market conditions allow, **Exhibit D** estimates that, that for District No. 1, 5,600 total square feet of commercial development will be added in 2023, 35,542 total square feet of commercial development will be added in 2024, and 8,709 total square feet of commercial development will be added in 2025; and for District No. 2, 293,000 total square feet of commercial development will be added in 2023, 27,000 total square feet of commercial development will be added in 2024, and 2,800 total square feet of commercial development will be added in 2025. Regarding public improvements, overall costs of approximately \$48,500,000 are currently anticipated, as outlined in **Exhibit C**. The cost estimates were developed for each District as the scope of pre-development District-related costs were unique to each land area. District No. 2 has two proposed signalized intersections, a mass over lot grading effort, and a sports park, which are not required within the District No. 1 example. Separating the cost estimates better denotes the differences.

The current cost estimates include, but are not limited to, planning and professional consulting costs in excess of \$3,150,000; road, street, and related improvement costs in excess of \$9,350,000; water, sanitary sewer and related drainage improvement costs in excess of \$7,200,000; traffic, safety, and signalization improvement costs in excess of \$1,650,000; park, recreation, and landscaping improvement costs in excess of \$15,500,000. The contemplated on and off-site public improvements include, but are not limited to, on and off-site streets, roadway, water and sanitary sewer, drainage, traffic and safety, and park and recreation improvements. As noted in the Service Plan, although civil engineers have reviewed the cost estimates, the cost estimates remain preliminary in nature and the ultimate costs may be altered depending on numerous factors, many of which are out of Developer's control. In particular, the initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) could be significantly higher which would result in a material increase in the overall development costs.

EXHIBIT C

ESTIMATED INFRASTRUCTURE CAPITAL COSTS

Include tabular summary of estimated infrastructure costs by category (e.g., streets, water, sewer, park/open space/landscaping, etc.)

Include, as applicable, estimated costs of acquiring land, engineering services, and other related costs (per Special District Act).

CROSSROADS METROPOLITAN DISTRICT #1
PUBLIC IMPROVEMENT SUMMARY
MARCH, 24, 2020

Category	Estimate
Design Engineering	\$500,000.00
Construction Surveying	\$300,000.00
Land Planning	\$200,000.00
Overlot Grading	\$500,000.00
Roadway Excavation	\$250,000.00
Roadway Concrete	\$900,000.00
Includes curb and gutter, cross pans, squared returns, transitions, pedestrian ramps, common sidewalk, colored median concrete, subgrade preparation, winter protection, and cleanup	
Utility - Water	\$400,000.00
Utility - Sanitary Sewer	\$800,000.00
Utility Relocations	\$400,000.00
Stormwater Detention & Underground Stormwater Quality Facilities	\$1,000,000.00
Asphalt Paving	\$2,000,000.00
Includes asphalt paving, subgrade preparation, and manhole & valve adjustments	
Roadway Landscaping	\$900,000.00
Includes irrigation and sound wall fence	
Erosion Control	\$100,000.00
Installation, Maintenance, & Inspection	
Materials Testing & Pavement Design	\$75,000.00
Street Signs & Striping	\$25,000.00
Traffic Signals & Traffic Control	\$400,000.00
Safety Protection	\$100,000.00
Fencing	\$300,000.00
Permitting	\$75,000.00
Includes Storm water Discharge Permit	
Agency & Utility Agency Review & Inspection	\$50,000.00
Includes Cherokee Metro District, & El Paso County	
Signs & Wayfinding	\$300,000.00
Trails, Pocket Parks, Landscaping & Hardscaping	\$2,500,000.00
Sub Total	<u>\$12,075,000.00</u>
Project Management @ 4%	\$483,000.00
Construction Supervision @ 5%	<u>\$603,750.00</u>
Sub Total	\$13,161,750.00
Contingency @ 20%	<u>\$2,632,350.00</u>
Total Estimated Public Improvements	\$15,794,100.00
Rounded	\$16,000,000.00

CROSSROADS METROPOLITAN DISTRICT #2
PUBLIC IMPROVEMENT SUMMARY
MARCH, 24, 2020

Category	Estimate
Design Engineering	\$1,000,000.00
Construction Surveying	\$300,000.00
Land Planning & Sports Field Design	\$600,000.00
Overlot Grading - Sports Park	\$2,000,000.00
Roadway Excavation	\$250,000.00
Roadway Concrete	\$1,300,000.00
Includes curb and gutter, cross pans, squared returns, transitions, pedestrian ramps, common sidewalk, colored median concrete, subgrade preparation, winter protection, and cleanup	
Utility - Water	\$1,000,000.00
Utility - Sanitary Sewer	\$1,400,000.00
Utility Relocations	\$400,000.00
Stormwater Detention & Underground Stormwater Quality Facilities	\$1,600,000.00
Asphalt Paving	\$2,000,000.00
Includes asphalt paving, subgrade preparation, and manhole & valve adjustments	
Roadway Landscaping	\$1,000,000.00
Includes irrigation and sound wall fence	
Erosion Control	\$100,000.00
Installation, Maintenance, & Inspection	
Materials Testing & Pavement Design	\$75,000.00
Street Signs & Striping	\$25,000.00
Traffic Signals & Traffic Control	\$400,000.00
Safety Protection	\$100,000.00
Fencing	\$300,000.00
Permitting	\$75,000.00
Includes Storm water Discharge Permit	
Agency & Utility Agency Review & Inspection	\$50,000.00
Includes Cherokee Metro District, & El Paso County	
Signs & Wayfinding	\$300,000.00
Trails, Pocket Parks, Landscaping & Hardscaping	\$2,500,000.00
Sports Park Development (Fields, Lighting, Parking, Seating, Fencing)	<u>\$8,000,000.00</u>
Sub Total	\$24,775,000.00
Project Management @ 4%	\$991,000.00
Construction Supervision @ 5%	<u>\$1,238,750.00</u>
Sub Total	\$27,004,750.00
Contingency @ 20%	<u>\$5,400,950.00</u>
Total Estimated Public Improvements	\$32,405,700.00
Rounded	\$32,500,000.00

EXHIBIT D

FINANCIAL PLAN SUMMARY

Financial Plan Summary must contain:

Statement of Assumptions Contained in Plan

Assessed Value Projections

Revenue Projections by type of revenue (e.g. Debt Service Mill Levy, Operations Mill Levy, Non Tax Revenue (e.g. fees and charges), and developer advances

Proposed operating revenue in first budget year, and other major expenses relating to the organization and initial operations of the Districts (e.g., legal, administrative, etc.) (per Special District Act)

Schedule of proposed debt issuance (both general obligation and revenue based), including interest rates and discounts (per Special District Act)

CROSSROADS METROPOLITAN DISTRICT #1

Development Projection at 50.000 (target) District Mills for Debt Service -- 03/25/2020

Service Plan: Series 2022, G.O. Bonds, Non-Rated, 100x, 2052 Maturity; plus Series 2032 Future Refunding G.O. Bonds, Investment Grade, 100x, 2062 Maturity.

	< Platted/Developed Lots >			<<<<<<<< Commercial >>>>>>>>										
	As'ed Value @ 29.00%			Mkt Value Biennial		As'ed Value @ 29.00%		Total	District D/S Mill Levy [50.000 Target] [50.000 Cap]	District D/S Mill Levy Collections @ 98%	District S.O. Taxes Collected @ 6%	Annual Taxable Sales Revenue inflt. @ 1.0%	Annual Sales Tax PIF @ 2.00%	Total Available Revenue
YEAR	Cumulative Market Value	of Market (2-yr lag)	Total Comm'l Sq. Ft.	Reasses'mt @ 6.0%	Cumulative Market Value	of Market (2-yr lag)	Assessed Value							
2021	\$0		0		\$0									
2022	172,260		0		0									
2023	982,653	\$0	5,600		1,722,600	\$0	\$0	50.000	\$0	\$0	\$1,869,750	\$37,395	\$37,395	
2024	323,104	49,955	35,542	103,356	11,849,013	0	49,955	50.000	2,448	147	8,196,355	163,927	166,522	
2025	0	284,969	8,709		15,210,585	499,554	784,523	50.000	38,442	2,306	13,161,769	263,235	303,984	
2026	0	93,700	0	912,635	16,123,221	3,436,214	3,529,914	50.000	172,966	10,378	14,293,864	285,877	469,221	
2027	0	0	0		16,123,221	4,411,070	4,411,070	50.000	216,142	12,969	14,436,803	288,736	517,847	
2028	0	0	0	967,393	17,090,614	4,675,734	4,675,734	50.000	229,111	13,747	14,581,171	291,623	534,481	
2029	0	0	0		17,090,614	4,675,734	4,675,734	50.000	229,111	13,747	14,726,983	294,540	537,397	
2030	0	0	0	1,025,437	18,116,051	4,956,278	4,956,278	50.000	242,858	14,571	14,874,253	297,485	554,914	
2031	0	0	0		18,116,051	4,956,278	4,956,278	50.000	242,858	14,571	15,022,995	300,460	557,889	
2032	0	0	0	1,086,963	19,203,014	5,253,655	5,253,655	50.000	257,429	15,446	15,173,225	303,465	576,339	
2033	0	0	0		19,203,014	5,253,655	5,253,655	50.000	257,429	15,446	15,324,957	306,499	579,374	
2034	0	0	0	1,152,181	20,355,195	5,568,874	5,568,874	50.000	272,875	16,372	15,478,207	309,564	598,811	
2035	0	0	0		20,355,195	5,568,874	5,568,874	50.000	272,875	16,372	15,632,989	312,660	601,907	
2036	0	0	0	1,221,312	21,576,506	5,903,006	5,903,006	50.000	289,247	17,355	15,789,319	315,786	622,389	
2037	0	0	0		21,576,506	5,903,006	5,903,006	50.000	289,247	17,355	15,947,212	318,944	625,546	
2038	0	0	0	1,294,590	22,871,097	6,257,187	6,257,187	50.000	306,602	18,396	16,106,684	322,134	647,132	
2039	0	0	0		22,871,097	6,257,187	6,257,187	50.000	306,602	18,396	16,267,751	325,355	650,353	
2040	0	0	0	1,372,266	24,243,362	6,632,618	6,632,618	50.000	324,998	19,500	16,430,429	328,609	673,107	
2041	0	0	0		24,243,362	6,632,618	6,632,618	50.000	324,998	19,500	16,594,733	331,895	676,393	
2042	0			1,454,602	25,697,964	7,030,575	7,030,575	50.000	344,498	20,670	16,760,680	335,214	700,382	
2043	0				25,697,964	7,030,575	7,030,575	50.000	344,498	20,670	16,928,287	338,566	703,734	
2044	0			1,541,878	27,239,842	7,452,410	7,452,410	50.000	365,168	21,910	17,097,570	341,951	729,030	
2045	0				27,239,842	7,452,410	7,452,410	50.000	365,168	21,910	17,268,546	345,371	732,449	
2046	0			1,634,391	28,874,233	7,899,554	7,899,554	50.000	387,078	23,225	17,441,231	348,825	759,127	
2047	0				28,874,233	7,899,554	7,899,554	50.000	387,078	23,225	17,615,643	352,313	762,616	
2048	0			1,732,454	30,606,686	8,373,527	8,373,527	50.000	410,303	24,618	17,791,800	355,836	790,757	
2049	0				30,606,686	8,373,527	8,373,527	50.000	410,303	24,618	17,969,718	359,394	794,315	
2050	0			1,836,401	32,443,088	8,875,939	8,875,939	50.000	434,921	26,095	18,149,415	362,988	824,005	
2051	0				32,443,088	8,875,939	8,875,939	50.000	434,921	26,095	18,330,909	366,618	827,634	
2052	0			1,946,585	34,389,673	9,408,495	9,408,495	50.000	461,016	27,661	18,514,218	370,284	858,962	
2053	0				34,389,673	9,408,495	9,408,495	50.000	461,016	27,661	18,699,360	373,987	862,664	
2054	0			2,063,380	36,453,053	9,973,005	9,973,005	50.000	488,677	29,321	18,886,354	377,727	895,725	
2055	0				36,453,053	9,973,005	9,973,005	50.000	488,677	29,321	19,075,218	381,504	899,502	
2056	0			2,187,183	38,640,236	10,571,385	10,571,385	50.000	517,998	31,080	19,265,970	385,319	934,397	
2057	0				38,640,236	10,571,385	10,571,385	50.000	517,998	31,080	19,458,629	389,173	938,250	
2058	0			2,318,414	40,958,651	11,205,669	11,205,669	50.000	549,078	32,945	19,653,216	393,064	975,087	
2059	0				40,958,651	11,205,669	11,205,669	50.000	549,078	32,945	19,849,748	396,995	979,017	
2060	0			2,457,519	43,416,170	11,878,009	11,878,009	50.000	582,022	34,921	20,048,245	400,965	1,017,909	
2061	0				43,416,170	11,878,009	11,878,009	50.000	582,022	34,921	20,248,728	404,975	1,021,918	
2062	0			2,604,970	46,021,140	12,590,689	12,590,689	50.000	616,944	37,017	20,451,215	409,024	1,062,985	
			49,851	30,913,910					13,974,702	838,482		13,188,283	28,001,467	

CROSSROADS METROPOLITAN DISTRICT #1

Development Projection at 50.000 (target) District Mills for Debt Service -- 03/25/2020

Service Plan: Series 2022, G.O. Bonds, Non-Rated, 100x, 2052 Maturity; plus Series 2032 Future Refunding G.O. Bonds, Investment Grade, 100x, 2062 Maturity.

YEAR	Net Available for Debt Svc	Ser. 2022 \$9,340,000 Par [Net \$6.627 MM] Net Debt Service	Ser. 2032 \$12,855,000 Par [Net \$5.106 MM] Net Debt Service	Total Net Debt Service	Funds on Hand Use as a Source	Annual Surplus	Surplus Release to \$2,219,500	Cumulative Surplus ¹ \$2,219,500 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Cov. of Net DS: @ 50.000 target	Cov. of Net DS: @ 50.000 Cap
2021												
2022		\$0				\$0		\$0	n/a	n/a	0.0%	0.0%
2023	\$37,395	0				37,395	\$0	37,395	n/a	n/a	0.0%	0.0%
2024	166,522	0		0		166,522	0	203,917	18697%	77%	0.0%	0.0%
2025	303,984	0		0		303,984	0	507,900	1191%	61%	0.0%	0.0%
2026	469,221	467,000		467,000		2,221	0	510,121	265%	58%	100.5%	100.5%
2027	517,847	517,000		517,000		847	0	510,968	212%	58%	100.2%	100.2%
2028	534,481	529,500		529,500		4,981	0	515,949	199%	54%	100.9%	100.9%
2029	537,397	536,250		536,250		1,147	0	517,097	197%	54%	100.2%	100.2%
2030	554,914	552,500		552,500		2,414	0	519,511	185%	51%	100.4%	100.4%
2031	557,889	557,750		557,750		139	0	519,650	183%	50%	100.0%	100.0%
2032	576,339	572,500	\$0	572,500	515,000	(511,161)	0	8,489	170%	47%	100.7%	100.7%
2033	579,374	[Ref'd by Ser. '32]	574,200	574,200		5,174	0	13,663	413%	113%	100.9%	100.9%
2034	598,811		596,800	596,800		2,011	0	15,675	386%	106%	100.3%	100.3%
2035	601,907		598,400	598,400		3,507	0	19,182	381%	104%	100.6%	100.6%
2036	622,389		619,800	619,800		2,589	0	21,770	355%	97%	100.4%	100.4%
2037	625,546		625,200	625,200		346	0	22,117	350%	96%	100.1%	100.1%
2038	647,132		645,200	645,200		1,932	0	24,049	325%	89%	100.3%	100.3%
2039	650,353		649,200	649,200		1,153	0	25,202	318%	87%	100.2%	100.2%
2040	673,107		672,800	672,800		307	0	25,509	294%	80%	100.0%	100.0%
2041	676,393		675,200	675,200		1,193	0	26,701	287%	78%	100.2%	100.2%
2042	700,382		697,200	697,200		3,182	0	29,883	263%	72%	100.5%	100.5%
2043	703,734		703,000	703,000		734	0	30,617	255%	70%	100.1%	100.1%
2044	729,030		728,200	728,200		830	0	31,446	232%	63%	100.1%	100.1%
2045	732,449		732,000	732,000		449	0	31,896	222%	61%	100.1%	100.1%
2046	759,127		755,200	755,200		3,927	0	35,823	200%	55%	100.5%	100.5%
2047	762,616		762,000	762,000		616	0	36,439	190%	52%	100.1%	100.1%
2048	790,757		788,000	788,000		2,757	0	39,196	169%	46%	100.3%	100.3%
2049	794,315		792,400	792,400		1,915	0	41,111	157%	43%	100.2%	100.2%
2050	824,005		821,000	821,000		3,005	0	44,116	137%	37%	100.4%	100.4%
2051	827,634		822,800	822,800		4,834	0	48,950	124%	34%	100.6%	100.6%
2052	858,962		853,800	853,800		5,162	0	54,112	104%	29%	100.6%	100.6%
2053	862,664		857,800	857,800		4,864	0	58,976	82%	22%	100.6%	100.6%
2054	895,725		890,800	890,800		4,925	0	63,901	72%	20%	100.6%	100.6%
2055	899,502		896,600	896,600		2,902	0	66,803	66%	18%	100.3%	100.3%
2056	934,397		931,200	931,200		3,197	0	70,001	56%	15%	100.3%	100.3%
2057	938,250		933,400	933,400		4,850	0	74,851	49%	13%	100.5%	100.5%
2058	975,087		974,400	974,400		687	0	75,538	40%	11%	100.1%	100.1%
2059	979,017		977,600	977,600		1,417	0	76,955	33%	9%	100.1%	100.1%
2060	1,017,909		1,014,400	1,014,400		3,509	0	80,464	24%	7%	100.3%	100.3%
2061	1,021,918		1,018,400	1,018,400		3,518	0	83,982	17%	5%	100.3%	100.3%
2062	1,062,985		1,060,800	1,060,800		2,185	86,167	0	8%	2%	100.2%	100.2%
	28,001,467	3,732,500	23,667,800	27,400,300		86,167	86,167					

[AMar2520 22NRSPA]

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CROSSROADS METROPOLITAN DISTRICT #1

Development Summary

Development Projection -- Buildout Plan (updated 3/24/20)

Commercial Development

Product Type	Inline Retail	Restaurant	Pharmacy	QSR 1	QSR 2	Coffee	QSR 3	QSR 4
Base \$ ('23)	\$533/sf	\$220/sf	\$104/sf	\$319/sf	\$297/sf	\$431/sf	\$371/sf	\$371/sf
Sales \$ ('23)	\$145/sf	\$161/sf	\$182/sf	\$498/sf	\$396/sf	\$849/sf	\$446/sf	\$446/sf

Comm'l Totals

2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	2,700	2,900	-	-	-	5,600
2024	9,702	10,200	13,240	-	-	2,400	-	-	35,542
2025	-	-	-	-	-	-	4,180	4,529	8,709
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
	9,702	10,200	13,240	2,700	2,900	2,400	4,180	4,529	49,851

MV @ Full Buildout (base prices;un-infl.)	\$5,171,166	\$2,244,000	\$1,376,960	\$861,300	\$861,300	\$1,034,400	\$1,550,780	\$1,680,259	\$14,780,165
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Notes

Platted/Dev Lots = 10% MV; one-yr prior
Base MV \$ inflated 2% per annum

SOURCES AND USES OF FUNDS

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION BONDS, SERIES 2022
50.000 (target) Mills
Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Dated Date	12/01/2022
Delivery Date	12/01/2022

Sources:

Bond Proceeds:	
Par Amount	9,340,000.00
	9,340,000.00

Uses:

Project Fund Deposits:	
Project Fund	6,626,700.00
Other Fund Deposits:	
Capitalized Interest Fund	1,401,000.00
Debt Service Reserve	825,500.00
	2,226,500.00
Cost of Issuance:	
Other Cost of Issuance	300,000.00
Delivery Date Expenses:	
Underwriter's Discount	186,800.00
	9,340,000.00

BOND SUMMARY STATISTICS

CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION BONDS, SERIES 2022
50.000 (target) Mills
Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Dated Date	12/01/2022
Delivery Date	12/01/2022
First Coupon	06/01/2023
Last Maturity	12/01/2052
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.153611%
Net Interest Cost (NIC)	5.000000%
All-In TIC	5.410158%
Average Coupon	5.000000%
Average Life (years)	22.976
Weighted Average Maturity (years)	22.976
Duration of Issue (years)	13.428
Par Amount	9,340,000.00
Bond Proceeds	9,340,000.00
Total Interest	10,729,750.00
Net Interest	10,916,550.00
Bond Years from Dated Date	214,595,000.00
Bond Years from Delivery Date	214,595,000.00
Total Debt Service	20,069,750.00
Maximum Annual Debt Service	1,680,000.00
Average Annual Debt Service	668,991.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2052	9,340,000.00	100.000	5.000%	22.976	11/21/2045	14,477.00
	9,340,000.00			22.976		14,477.00

	TIC	All-In TIC	Arbitrage Yield
Par Value	9,340,000.00	9,340,000.00	9,340,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-186,800.00	-186,800.00	
- Cost of Issuance Expense		-300,000.00	
- Other Amounts			
Target Value	9,153,200.00	8,853,200.00	9,340,000.00
Target Date	12/01/2022	12/01/2022	12/01/2022
Yield	5.153611%	5.410158%	5.000000%

DETAILED BOND DEBT SERVICE

CROSSROADS METROPOLITAN DISTRICT NO. 1 GENERAL OBLIGATION BONDS, SERIES 2022

50.000 (target) Mills

Non-Rated, 100x @ target, 2052 Final Maturity

(Service Plan: 6% Biennial Re-assessment)

[Preliminary -- for discussion only]

Term Bond due 2052

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2023			233,500	233,500	
12/01/2023			233,500	233,500	467,000
06/01/2024			233,500	233,500	
12/01/2024			233,500	233,500	467,000
06/01/2025			233,500	233,500	
12/01/2025			233,500	233,500	467,000
06/01/2026			233,500	233,500	
12/01/2026			233,500	233,500	467,000
06/01/2027			233,500	233,500	
12/01/2027	50,000	5.000%	233,500	283,500	517,000
06/01/2028			232,250	232,250	
12/01/2028	65,000	5.000%	232,250	297,250	529,500
06/01/2029			230,625	230,625	
12/01/2029	75,000	5.000%	230,625	305,625	536,250
06/01/2030			228,750	228,750	
12/01/2030	95,000	5.000%	228,750	323,750	552,500
06/01/2031			226,375	226,375	
12/01/2031	105,000	5.000%	226,375	331,375	557,750
06/01/2032			223,750	223,750	
12/01/2032	125,000	5.000%	223,750	348,750	572,500
06/01/2033			220,625	220,625	
12/01/2033	135,000	5.000%	220,625	355,625	576,250
06/01/2034			217,250	217,250	
12/01/2034	160,000	5.000%	217,250	377,250	594,500
06/01/2035			213,250	213,250	
12/01/2035	175,000	5.000%	213,250	388,250	601,500
06/01/2036			208,875	208,875	
12/01/2036	200,000	5.000%	208,875	408,875	617,750
06/01/2037			203,875	203,875	
12/01/2037	215,000	5.000%	203,875	418,875	622,750
06/01/2038			198,500	198,500	
12/01/2038	250,000	5.000%	198,500	448,500	647,000
06/01/2039			192,250	192,250	
12/01/2039	265,000	5.000%	192,250	457,250	649,500
06/01/2040			185,625	185,625	
12/01/2040	300,000	5.000%	185,625	485,625	671,250
06/01/2041			178,125	178,125	
12/01/2041	320,000	5.000%	178,125	498,125	676,250
06/01/2042			170,125	170,125	
12/01/2042	360,000	5.000%	170,125	530,125	700,250
06/01/2043			161,125	161,125	
12/01/2043	380,000	5.000%	161,125	541,125	702,250
06/01/2044			151,625	151,625	
12/01/2044	425,000	5.000%	151,625	576,625	728,250
06/01/2045			141,000	141,000	
12/01/2045	450,000	5.000%	141,000	591,000	732,000
06/01/2046			129,750	129,750	
12/01/2046	495,000	5.000%	129,750	624,750	754,500
06/01/2047			117,375	117,375	
12/01/2047	525,000	5.000%	117,375	642,375	759,750
06/01/2048			104,250	104,250	
12/01/2048	580,000	5.000%	104,250	684,250	788,500
06/01/2049			89,750	89,750	
12/01/2049	610,000	5.000%	89,750	699,750	789,500
06/01/2050			74,500	74,500	
12/01/2050	670,000	5.000%	74,500	744,500	819,000
06/01/2051			57,750	57,750	
12/01/2051	710,000	5.000%	57,750	767,750	825,500
06/01/2052			40,000	40,000	
12/01/2052	1,600,000	5.000%	40,000	1,640,000	1,680,000
	9,340,000		10,729,750	20,069,750	20,069,750

NET DEBT SERVICE

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION BONDS, SERIES 2022
50.000 (target) Mills
Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve	Capitalized Interest Fund	Net Debt Service
12/01/2023		467,000	467,000		467,000	
12/01/2024		467,000	467,000		467,000	
12/01/2025		467,000	467,000		467,000	
12/01/2026		467,000	467,000			467,000
12/01/2027	50,000	467,000	517,000			517,000
12/01/2028	65,000	464,500	529,500			529,500
12/01/2029	75,000	461,250	536,250			536,250
12/01/2030	95,000	457,500	552,500			552,500
12/01/2031	105,000	452,750	557,750			557,750
12/01/2032	125,000	447,500	572,500			572,500
12/01/2033	135,000	441,250	576,250			576,250
12/01/2034	160,000	434,500	594,500			594,500
12/01/2035	175,000	426,500	601,500			601,500
12/01/2036	200,000	417,750	617,750			617,750
12/01/2037	215,000	407,750	622,750			622,750
12/01/2038	250,000	397,000	647,000			647,000
12/01/2039	265,000	384,500	649,500			649,500
12/01/2040	300,000	371,250	671,250			671,250
12/01/2041	320,000	356,250	676,250			676,250
12/01/2042	360,000	340,250	700,250			700,250
12/01/2043	380,000	322,250	702,250			702,250
12/01/2044	425,000	303,250	728,250			728,250
12/01/2045	450,000	282,000	732,000			732,000
12/01/2046	495,000	259,500	754,500			754,500
12/01/2047	525,000	234,750	759,750			759,750
12/01/2048	580,000	208,500	788,500			788,500
12/01/2049	610,000	179,500	789,500			789,500
12/01/2050	670,000	149,000	819,000			819,000
12/01/2051	710,000	115,500	825,500			825,500
12/01/2052	1,600,000	80,000	1,680,000	825,500		854,500
	9,340,000	10,729,750	20,069,750	825,500	1,401,000	17,843,250

BOND SOLUTION

CROSSROADS METROPOLITAN DISTRICT NO. 1 GENERAL OBLIGATION BONDS, SERIES 2022 50.000 (target) Mills

Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2023		467,000	-467,000		37,395	37,395	
12/01/2024		467,000	-467,000		166,522	166,522	
12/01/2025		467,000	-467,000		303,984	303,984	
12/01/2026		467,000		467,000	469,221	2,221	100.47559%
12/01/2027	50,000	517,000		517,000	517,847	847	100.16384%
12/01/2028	65,000	529,500		529,500	534,481	4,981	100.94071%
12/01/2029	75,000	536,250		536,250	537,397	1,147	100.21394%
12/01/2030	95,000	552,500		552,500	554,914	2,414	100.43695%
12/01/2031	105,000	557,750		557,750	557,889	139	100.02492%
12/01/2032	125,000	572,500		572,500	576,339	3,839	100.67063%
12/01/2033	135,000	576,250		576,250	579,374	3,124	100.54212%
12/01/2034	160,000	594,500		594,500	598,811	4,311	100.72522%
12/01/2035	175,000	601,500		601,500	601,907	407	100.06768%
12/01/2036	200,000	617,750		617,750	622,389	4,639	100.75087%
12/01/2037	215,000	622,750		622,750	625,546	2,796	100.44904%
12/01/2038	250,000	647,000		647,000	647,132	132	100.02040%
12/01/2039	265,000	649,500		649,500	650,353	853	100.13138%
12/01/2040	300,000	671,250		671,250	673,107	1,857	100.27661%
12/01/2041	320,000	676,250		676,250	676,393	143	100.02112%
12/01/2042	360,000	700,250		700,250	700,382	132	100.01880%
12/01/2043	380,000	702,250		702,250	703,734	1,484	100.21129%
12/01/2044	425,000	728,250		728,250	729,030	780	100.10704%
12/01/2045	450,000	732,000		732,000	732,449	449	100.06135%
12/01/2046	495,000	754,500		754,500	759,127	4,627	100.61331%
12/01/2047	525,000	759,750		759,750	762,616	2,866	100.37719%
12/01/2048	580,000	788,500		788,500	790,757	2,257	100.28624%
12/01/2049	610,000	789,500		789,500	794,315	4,815	100.60993%
12/01/2050	670,000	819,000		819,000	824,005	5,005	100.61106%
12/01/2051	710,000	825,500		825,500	827,634	2,134	100.25857%
12/01/2052	1,600,000	1,680,000	-825,500	854,500	858,962	4,462	100.52213%
	9,340,000	20,069,750	-2,226,500	17,843,250	18,414,012	570,762	

SOURCES AND USES OF FUNDS

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Dated Date	12/01/2032
Delivery Date	12/01/2032

Sources:

Bond Proceeds:	
Par Amount	12,855,000.00
Other Sources of Funds:	
Series 2022 DSRF	825,500.00
Funds on Hand	515,000.00
	1,340,500.00
	14,195,500.00

Uses:

Project Fund Deposits:	
Project Fund	5,106,225.00
Refunding Escrow Deposits:	
Cash Deposit	8,825,000.00
Cost of Issuance:	
Other Cost of Issuance	200,000.00
Delivery Date Expenses:	
Underwriter's Discount	64,275.00
	14,195,500.00
	14,195,500.00

BOND SUMMARY STATISTICS

CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Dated Date	12/01/2032
Delivery Date	12/01/2032
First Coupon	06/01/2033
Last Maturity	12/01/2062
Arbitrage Yield	4.000000%
True Interest Cost (TIC)	4.036794%
Net Interest Cost (NIC)	4.000000%
All-In TIC	4.152989%
Average Coupon	4.000000%
Average Life (years)	21.028
Weighted Average Maturity (years)	21.028
Duration of Issue (years)	13.884
Par Amount	12,855,000.00
Bond Proceeds	12,855,000.00
Total Interest	10,812,800.00
Net Interest	10,877,075.00
Bond Years from Dated Date	270,320,000.00
Bond Years from Delivery Date	270,320,000.00
Total Debt Service	23,667,800.00
Maximum Annual Debt Service	1,060,800.00
Average Annual Debt Service	788,926.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	99.500000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2062	12,855,000.00	100.000	4.000%	21.028	12/11/2053	22,367.70
	12,855,000.00			21.028		22,367.70

	TIC	All-In TIC	Arbitrage Yield
Par Value	12,855,000.00	12,855,000.00	12,855,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-64,275.00	-64,275.00	
- Cost of Issuance Expense		-200,000.00	
- Other Amounts			
Target Value	12,790,725.00	12,590,725.00	12,855,000.00
Target Date	12/01/2032	12/01/2032	12/01/2032
Yield	4.036794%	4.152989%	4.000000%

BOND DEBT SERVICE

CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2033			257,100	257,100	
12/01/2033	60,000	4.000%	257,100	317,100	574,200
06/01/2034			255,900	255,900	
12/01/2034	85,000	4.000%	255,900	340,900	596,800
06/01/2035			254,200	254,200	
12/01/2035	90,000	4.000%	254,200	344,200	598,400
06/01/2036			252,400	252,400	
12/01/2036	115,000	4.000%	252,400	367,400	619,800
06/01/2037			250,100	250,100	
12/01/2037	125,000	4.000%	250,100	375,100	625,200
06/01/2038			247,600	247,600	
12/01/2038	150,000	4.000%	247,600	397,600	645,200
06/01/2039			244,600	244,600	
12/01/2039	160,000	4.000%	244,600	404,600	649,200
06/01/2040			241,400	241,400	
12/01/2040	190,000	4.000%	241,400	431,400	672,800
06/01/2041			237,600	237,600	
12/01/2041	200,000	4.000%	237,600	437,600	675,200
06/01/2042			233,600	233,600	
12/01/2042	230,000	4.000%	233,600	463,600	697,200
06/01/2043			229,000	229,000	
12/01/2043	245,000	4.000%	229,000	474,000	703,000
06/01/2044			224,100	224,100	
12/01/2044	280,000	4.000%	224,100	504,100	728,200
06/01/2045			218,500	218,500	
12/01/2045	295,000	4.000%	218,500	513,500	732,000
06/01/2046			212,600	212,600	
12/01/2046	330,000	4.000%	212,600	542,600	755,200
06/01/2047			206,000	206,000	
12/01/2047	350,000	4.000%	206,000	556,000	762,000
06/01/2048			199,000	199,000	
12/01/2048	390,000	4.000%	199,000	589,000	788,000
06/01/2049			191,200	191,200	
12/01/2049	410,000	4.000%	191,200	601,200	792,400
06/01/2050			183,000	183,000	
12/01/2050	455,000	4.000%	183,000	638,000	821,000
06/01/2051			173,900	173,900	
12/01/2051	475,000	4.000%	173,900	648,900	822,800
06/01/2052			164,400	164,400	
12/01/2052	525,000	4.000%	164,400	689,400	853,800
06/01/2053			153,900	153,900	
12/01/2053	550,000	4.000%	153,900	703,900	857,800
06/01/2054			142,900	142,900	
12/01/2054	605,000	4.000%	142,900	747,900	890,800
06/01/2055			130,800	130,800	
12/01/2055	635,000	4.000%	130,800	765,800	896,600
06/01/2056			118,100	118,100	
12/01/2056	695,000	4.000%	118,100	813,100	931,200
06/01/2057			104,200	104,200	
12/01/2057	725,000	4.000%	104,200	829,200	933,400
06/01/2058			89,700	89,700	
12/01/2058	795,000	4.000%	89,700	884,700	974,400
06/01/2059			73,800	73,800	
12/01/2059	830,000	4.000%	73,800	903,800	977,600
06/01/2060			57,200	57,200	
12/01/2060	900,000	4.000%	57,200	957,200	1,014,400
06/01/2061			39,200	39,200	
12/01/2061	940,000	4.000%	39,200	979,200	1,018,400
06/01/2062			20,400	20,400	
12/01/2062	1,020,000	4.000%	20,400	1,040,400	1,060,800
	12,855,000		10,812,800	23,667,800	23,667,800

NET DEBT SERVICE

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal	Interest	Total Debt Service	Net Debt Service
12/01/2033	60,000	514,200	574,200	574,200
12/01/2034	85,000	511,800	596,800	596,800
12/01/2035	90,000	508,400	598,400	598,400
12/01/2036	115,000	504,800	619,800	619,800
12/01/2037	125,000	500,200	625,200	625,200
12/01/2038	150,000	495,200	645,200	645,200
12/01/2039	160,000	489,200	649,200	649,200
12/01/2040	190,000	482,800	672,800	672,800
12/01/2041	200,000	475,200	675,200	675,200
12/01/2042	230,000	467,200	697,200	697,200
12/01/2043	245,000	458,000	703,000	703,000
12/01/2044	280,000	448,200	728,200	728,200
12/01/2045	295,000	437,000	732,000	732,000
12/01/2046	330,000	425,200	755,200	755,200
12/01/2047	350,000	412,000	762,000	762,000
12/01/2048	390,000	398,000	788,000	788,000
12/01/2049	410,000	382,400	792,400	792,400
12/01/2050	455,000	366,000	821,000	821,000
12/01/2051	475,000	347,800	822,800	822,800
12/01/2052	525,000	328,800	853,800	853,800
12/01/2053	550,000	307,800	857,800	857,800
12/01/2054	605,000	285,800	890,800	890,800
12/01/2055	635,000	261,600	896,600	896,600
12/01/2056	695,000	236,200	931,200	931,200
12/01/2057	725,000	208,400	933,400	933,400
12/01/2058	795,000	179,400	974,400	974,400
12/01/2059	830,000	147,600	977,600	977,600
12/01/2060	900,000	114,400	1,014,400	1,014,400
12/01/2061	940,000	78,400	1,018,400	1,018,400
12/01/2062	1,020,000	40,800	1,060,800	1,060,800
	12,855,000	10,812,800	23,667,800	23,667,800

SUMMARY OF BONDS REFUNDED

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
3/25/20: Ser 22 NR SP, 5.00%, 100x, 30yrs, TERM52:					
	12/01/2033	5.000%	135,000.00	12/01/2032	100.000
	12/01/2034	5.000%	160,000.00	12/01/2032	100.000
	12/01/2035	5.000%	175,000.00	12/01/2032	100.000
	12/01/2036	5.000%	200,000.00	12/01/2032	100.000
	12/01/2037	5.000%	215,000.00	12/01/2032	100.000
	12/01/2038	5.000%	250,000.00	12/01/2032	100.000
	12/01/2039	5.000%	265,000.00	12/01/2032	100.000
	12/01/2040	5.000%	300,000.00	12/01/2032	100.000
	12/01/2041	5.000%	320,000.00	12/01/2032	100.000
	12/01/2042	5.000%	360,000.00	12/01/2032	100.000
	12/01/2043	5.000%	380,000.00	12/01/2032	100.000
	12/01/2044	5.000%	425,000.00	12/01/2032	100.000
	12/01/2045	5.000%	450,000.00	12/01/2032	100.000
	12/01/2046	5.000%	495,000.00	12/01/2032	100.000
	12/01/2047	5.000%	525,000.00	12/01/2032	100.000
	12/01/2048	5.000%	580,000.00	12/01/2032	100.000
	12/01/2049	5.000%	610,000.00	12/01/2032	100.000
	12/01/2050	5.000%	670,000.00	12/01/2032	100.000
	12/01/2051	5.000%	710,000.00	12/01/2032	100.000
	12/01/2052	5.000%	1,600,000.00	12/01/2032	100.000
			8,825,000.00		

ESCROW REQUIREMENTS

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal Redeemed	Total
12/01/2032	8,825,000.00	8,825,000.00
	8,825,000.00	8,825,000.00

PRIOR BOND DEBT SERVICE

**CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2033			220,625	220,625	
12/01/2033	135,000	5.000%	220,625	355,625	576,250
06/01/2034			217,250	217,250	
12/01/2034	160,000	5.000%	217,250	377,250	594,500
06/01/2035			213,250	213,250	
12/01/2035	175,000	5.000%	213,250	388,250	601,500
06/01/2036			208,875	208,875	
12/01/2036	200,000	5.000%	208,875	408,875	617,750
06/01/2037			203,875	203,875	
12/01/2037	215,000	5.000%	203,875	418,875	622,750
06/01/2038			198,500	198,500	
12/01/2038	250,000	5.000%	198,500	448,500	647,000
06/01/2039			192,250	192,250	
12/01/2039	265,000	5.000%	192,250	457,250	649,500
06/01/2040			185,625	185,625	
12/01/2040	300,000	5.000%	185,625	485,625	671,250
06/01/2041			178,125	178,125	
12/01/2041	320,000	5.000%	178,125	498,125	676,250
06/01/2042			170,125	170,125	
12/01/2042	360,000	5.000%	170,125	530,125	700,250
06/01/2043			161,125	161,125	
12/01/2043	380,000	5.000%	161,125	541,125	702,250
06/01/2044			151,625	151,625	
12/01/2044	425,000	5.000%	151,625	576,625	728,250
06/01/2045			141,000	141,000	
12/01/2045	450,000	5.000%	141,000	591,000	732,000
06/01/2046			129,750	129,750	
12/01/2046	495,000	5.000%	129,750	624,750	754,500
06/01/2047			117,375	117,375	
12/01/2047	525,000	5.000%	117,375	642,375	759,750
06/01/2048			104,250	104,250	
12/01/2048	580,000	5.000%	104,250	684,250	788,500
06/01/2049			89,750	89,750	
12/01/2049	610,000	5.000%	89,750	699,750	789,500
06/01/2050			74,500	74,500	
12/01/2050	670,000	5.000%	74,500	744,500	819,000
06/01/2051			57,750	57,750	
12/01/2051	710,000	5.000%	57,750	767,750	825,500
06/01/2052			40,000	40,000	
12/01/2052	1,600,000	5.000%	40,000	1,640,000	1,680,000
	8,825,000		6,111,250	14,936,250	14,936,250

BOND SOLUTION

CROSSROADS METROPOLITAN DISTRICT NO. 1
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2033	60,000	574,200	574,200	579,374	5,174	100.90107%
12/01/2034	85,000	596,800	596,800	598,811	2,011	100.33704%
12/01/2035	90,000	598,400	598,400	601,907	3,507	100.58608%
12/01/2036	115,000	619,800	619,800	622,389	2,589	100.41764%
12/01/2037	125,000	625,200	625,200	625,546	346	100.05541%
12/01/2038	150,000	645,200	645,200	647,132	1,932	100.29944%
12/01/2039	160,000	649,200	649,200	650,353	1,153	100.17765%
12/01/2040	190,000	672,800	672,800	673,107	307	100.04559%
12/01/2041	200,000	675,200	675,200	676,393	1,193	100.17666%
12/01/2042	230,000	697,200	697,200	700,382	3,182	100.45635%
12/01/2043	245,000	703,000	703,000	703,734	734	100.10438%
12/01/2044	280,000	728,200	728,200	729,030	830	100.11392%
12/01/2045	295,000	732,000	732,000	732,449	449	100.06135%
12/01/2046	330,000	755,200	755,200	759,127	3,927	100.52006%
12/01/2047	350,000	762,000	762,000	762,616	616	100.08080%
12/01/2048	390,000	788,000	788,000	790,757	2,757	100.34987%
12/01/2049	410,000	792,400	792,400	794,315	1,915	100.24172%
12/01/2050	455,000	821,000	821,000	824,005	3,005	100.36596%
12/01/2051	475,000	822,800	822,800	827,634	4,834	100.58756%
12/01/2052	525,000	853,800	853,800	858,962	5,162	100.60455%
12/01/2053	550,000	857,800	857,800	862,664	4,864	100.56709%
12/01/2054	605,000	890,800	890,800	895,725	4,925	100.55287%
12/01/2055	635,000	896,600	896,600	899,502	2,902	100.32369%
12/01/2056	695,000	931,200	931,200	934,397	3,197	100.34334%
12/01/2057	725,000	933,400	933,400	938,250	4,850	100.51964%
12/01/2058	795,000	974,400	974,400	975,087	687	100.07048%
12/01/2059	830,000	977,600	977,600	979,017	1,417	100.14499%
12/01/2060	900,000	1,014,400	1,014,400	1,017,909	3,509	100.34589%
12/01/2061	940,000	1,018,400	1,018,400	1,021,918	3,518	100.34548%
12/01/2062	1,020,000	1,060,800	1,060,800	1,062,985	2,185	100.20595%
	12,855,000	23,667,800	23,667,800	23,745,478	77,678	

CROSSROADS METROPOLITAN DISTRICT NO. 2

Development Projection at 50.000 (target) District Mills for Debt Service -- 03/25/2020

Service Plan: Series 2022, G.O. Bonds, Non-Rated, 100x, 2052 Maturity; plus Series 2032 Future Refunding G.O. Bonds, Investment Grade, 100x, 2062 Maturity.

	< Platted/Developed Lots > <<<<<<<< Commercial >>>>>>>>													
	As'ed Value @ 29.00%		Total Comm'l Sq. Ft.	Mkt Value Biennial Reasses'mt @ 6.0%		As'ed Value @ 29.00%		Total Assessed Value	District D/S Mill Levy [50.000 Target] [50.000 Cap]	District D/S Mill Levy Collections @ 98%	District S.O. Taxes Collected @ 6%	Annual Taxable Sales Revenue inflt. @ 1.0%	Annual Sales Tax PIF @ 2.00%	Total Available Revenue
YEAR	Cumulative Market Value	of Market (2-yr lag)		Cumulative Market Value	of Market (2-yr lag)	District D/S Mill Levy [50.000 Target] [50.000 Cap]	District D/S Mill Levy Collections @ 98%		District S.O. Taxes Collected @ 6%	Annual Taxable Sales Revenue inflt. @ 1.0%	Annual Sales Tax PIF @ 2.00%	Total Available Revenue		
2021	\$0		0		\$0									
2022	1,992,100		0		0									
2023	620,520	\$0	293,000		19,921,000	\$0	\$0	50.000	\$0	\$0	\$9,150,750	\$183,015	\$183,015	
2024	86,240	577,709	27,000	1,195,260	27,445,564	0	577,709	50.000	28,308	1,698	17,969,870	359,397	389,404	
2025	0	179,951	2,800		28,342,805	5,777,090	5,957,041	50.000	291,895	17,514	21,299,586	425,992	735,400	
2026	0	25,010	0	1,700,568	30,043,373	7,959,214	7,984,223	50.000	391,227	23,474	21,933,048	438,661	853,362	
2027	0	0	0		30,043,373	8,219,413	8,219,413	50.000	402,751	24,165	22,152,378	443,048	869,964	
2028	0	0	0	1,802,602	31,845,976	8,712,578	8,712,578	50.000	426,916	25,615	22,373,902	447,478	900,009	
2029	0	0	0		31,845,976	8,712,578	8,712,578	50.000	426,916	25,615	22,597,641	451,953	904,484	
2030	0	0	0	1,910,759	33,756,734	9,235,333	9,235,333	50.000	452,531	27,152	22,823,617	456,472	936,156	
2031	0	0	0		33,756,734	9,235,333	9,235,333	50.000	452,531	27,152	23,051,854	461,037	940,720	
2032	0	0	0	2,025,404	35,782,138	9,789,453	9,789,453	50.000	479,683	28,781	23,282,372	465,647	974,112	
2033	0	0	0		35,782,138	9,789,453	9,789,453	50.000	479,683	28,781	23,515,196	470,304	978,768	
2034	0	0	0	2,146,928	37,929,067	10,376,820	10,376,820	50.000	508,464	30,508	23,750,348	475,007	1,013,979	
2035	0	0	0		37,929,067	10,376,820	10,376,820	50.000	508,464	30,508	23,987,851	479,757	1,018,729	
2036	0	0	0	2,275,744	40,204,811	10,999,429	10,999,429	50.000	538,972	32,338	24,227,730	484,555	1,055,865	
2037	0	0	0		40,204,811	10,999,429	10,999,429	50.000	538,972	32,338	24,470,007	489,400	1,060,710	
2038	0	0	0	2,412,289	42,617,099	11,659,395	11,659,395	50.000	571,310	34,279	24,714,707	494,294	1,099,883	
2039	0	0	0		42,617,099	11,659,395	11,659,395	50.000	571,310	34,279	24,961,854	499,237	1,104,826	
2040	0	0	0	2,557,026	45,174,125	12,358,959	12,358,959	50.000	605,589	36,335	25,211,473	504,229	1,146,154	
2041	0	0	0		45,174,125	12,358,959	12,358,959	50.000	605,589	36,335	25,463,587	509,272	1,151,196	
2042				2,710,448	47,884,573	13,100,496	13,100,496	50.000	641,924	38,515	25,718,223	514,364	1,194,804	
2043					47,884,573	13,100,496	13,100,496	50.000	641,924	38,515	25,975,406	519,508	1,199,948	
2044				2,873,074	50,757,647	13,886,526	13,886,526	50.000	680,440	40,826	26,235,160	524,703	1,245,969	
2045					50,757,647	13,886,526	13,886,526	50.000	680,440	40,826	26,497,511	529,950	1,251,216	
2046				3,045,459	53,803,106	14,719,718	14,719,718	50.000	721,266	43,276	26,762,486	535,250	1,299,792	
2047					53,803,106	14,719,718	14,719,718	50.000	721,266	43,276	27,030,111	540,602	1,305,144	
2048				3,228,186	57,031,292	15,602,901	15,602,901	50.000	764,542	45,873	27,300,412	546,008	1,356,423	
2049					57,031,292	15,602,901	15,602,901	50.000	764,542	45,873	27,573,416	551,468	1,361,883	
2050				3,421,878	60,453,170	16,539,075	16,539,075	50.000	810,415	48,625	27,849,151	556,983	1,416,023	
2051					60,453,170	16,539,075	16,539,075	50.000	810,415	48,625	28,127,642	562,553	1,421,592	
2052				3,627,190	64,080,360	17,531,419	17,531,419	50.000	859,040	51,542	28,408,919	568,178	1,478,760	
2053					64,080,360	17,531,419	17,531,419	50.000	859,040	51,542	28,693,008	573,860	1,484,442	
2054				3,844,822	67,925,181	18,583,304	18,583,304	50.000	910,582	54,635	28,979,938	579,599	1,544,816	
2055					67,925,181	18,583,304	18,583,304	50.000	910,582	54,635	29,269,737	585,395	1,550,612	
2056				4,075,511	72,000,692	19,698,303	19,698,303	50.000	965,217	57,913	29,562,435	591,249	1,614,379	
2057					72,000,692	19,698,303	19,698,303	50.000	965,217	57,913	29,858,059	597,161	1,620,291	
2058				4,320,042	76,320,734	20,880,201	20,880,201	50.000	1,023,130	61,388	30,156,639	603,133	1,687,650	
2059					76,320,734	20,880,201	20,880,201	50.000	1,023,130	61,388	30,458,206	609,164	1,693,682	
2060				4,579,244	80,899,978	22,133,013	22,133,013	50.000	1,084,518	65,071	30,762,788	615,256	1,764,844	
2061					80,899,978	22,133,013	22,133,013	50.000	1,084,518	65,071	31,070,416	621,408	1,770,997	
2062				4,853,999	85,753,977	23,460,994	23,460,994	50.000	1,149,589	68,975	31,381,120	627,622	1,846,186	
			322,800		58,606,432				26,352,848	1,581,171		20,492,171		48,426,190

CROSSROADS METROPOLITAN DISTRICT NO. 2

Development Projection at 50.000 (target) District Mills for Debt Service -- 03/25/2020

Service Plan: Series 2022, G.O. Bonds, Non-Rated, 100x, 2052 Maturity; plus Series 2032 Future Refunding G.O. Bonds, Investment Grade, 100x, 2062 Maturity.

YEAR	Net Available for Debt Svc	Ser. 2022 \$15,945,000 Par [Net \$11.516 MM] Net Debt Service	Ser. 2032 \$22,020,000 Par [Net \$9.384 MM] Net Debt Service	Total Net Debt Service	Funds on Hand Use as a Source	Annual Surplus	Surplus Release to \$3,796,500	Cumulative Surplus ¹ \$3,796,500 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Cov. of Net DS: @ 50.000 target	Cov. of Net DS: @ 50.000 Cap
2021												
2022		\$0				\$0		\$0	n/a	n/a	0.0%	0.0%
2023	\$183,015	0				183,015	\$0	183,015	n/a	n/a	0.0%	0.0%
2024	389,404	0		0		389,404	0	572,419	2760%	58%	0.0%	0.0%
2025	735,400	0		0		735,400	0	1,307,819	268%	56%	0.0%	0.0%
2026	853,362	852,250		852,250		1,112	0	1,308,931	200%	53%	100.1%	100.1%
2027	869,964	869,500		869,500		464	0	1,309,394	193%	53%	100.1%	100.1%
2028	900,009	895,750		895,750		4,259	0	1,313,654	182%	50%	100.5%	100.5%
2029	904,484	900,500		900,500		3,984	0	1,317,638	180%	49%	100.4%	100.4%
2030	936,156	934,750		934,750		1,406	0	1,319,043	169%	46%	100.2%	100.2%
2031	940,720	937,000		937,000		3,720	0	1,322,764	167%	46%	100.4%	100.4%
2032	974,112	973,750	\$0	973,750	1,320,000	(1,319,638)	0	3,125	156%	43%	100.0%	100.0%
2033	978,768	[Ref'd by Ser. '32]	975,800	975,800		2,968	0	6,093	379%	104%	100.3%	100.3%
2034	1,013,979		1,012,000	1,012,000		1,979	0	8,072	354%	97%	100.2%	100.2%
2035	1,018,729		1,016,600	1,016,600		2,129	0	10,201	350%	96%	100.2%	100.2%
2036	1,055,865		1,050,800	1,050,800		5,065	0	15,266	327%	89%	100.5%	100.5%
2037	1,060,710		1,058,400	1,058,400		2,310	0	17,577	322%	88%	100.2%	100.2%
2038	1,099,883		1,095,400	1,095,400		4,483	0	22,060	299%	82%	100.4%	100.4%
2039	1,100,826		1,100,600	1,100,600		4,226	0	26,286	293%	80%	100.4%	100.4%
2040	1,146,154		1,145,200	1,145,200		954	0	27,240	271%	74%	100.1%	100.1%
2041	1,151,196		1,147,600	1,147,600		3,596	0	30,836	264%	72%	100.3%	100.3%
2042	1,194,804		1,194,400	1,194,400		404	0	31,240	243%	66%	100.0%	100.0%
2043	1,199,948		1,198,800	1,198,800		1,148	0	32,388	235%	64%	100.1%	100.1%
2044	1,245,969		1,242,400	1,242,400		3,569	0	35,957	214%	59%	100.3%	100.3%
2045	1,251,216		1,248,600	1,248,600		2,616	0	38,574	205%	56%	100.2%	100.2%
2046	1,299,792		1,298,800	1,298,800		992	0	39,566	185%	51%	100.1%	100.1%
2047	1,305,144		1,301,200	1,301,200		3,944	0	43,510	176%	48%	100.3%	100.3%
2048	1,356,423		1,352,600	1,352,600		3,823	0	47,333	156%	43%	100.3%	100.3%
2049	1,361,883		1,361,000	1,361,000		883	0	48,216	146%	40%	100.1%	100.1%
2050	1,416,023		1,413,000	1,413,000		3,023	0	51,239	127%	35%	100.2%	100.2%
2051	1,421,592		1,416,800	1,416,800		4,792	0	56,031	115%	31%	100.3%	100.3%
2052	1,478,760		1,474,200	1,474,200		4,560	0	60,591	97%	27%	100.3%	100.3%
2053	1,484,442		1,483,000	1,483,000		1,442	0	62,033	76%	21%	100.1%	100.1%
2054	1,544,816		1,540,000	1,540,000		4,816	0	66,849	67%	18%	100.3%	100.3%
2055	1,550,612		1,548,200	1,548,200		2,412	0	69,260	61%	17%	100.2%	100.2%
2056	1,614,379		1,609,400	1,609,400		4,979	0	74,239	52%	14%	100.3%	100.3%
2057	1,620,291		1,616,400	1,616,400		3,891	0	78,130	46%	13%	100.2%	100.2%
2058	1,687,650		1,686,200	1,686,200		1,450	0	79,580	37%	10%	100.1%	100.1%
2059	1,693,682		1,691,200	1,691,200		2,482	0	82,062	31%	8%	100.1%	100.1%
2060	1,764,844		1,763,800	1,763,800		1,044	0	83,107	22%	6%	100.1%	100.1%
2061	1,770,997		1,766,200	1,766,200		4,797	0	87,904	15%	4%	100.3%	100.3%
2062	1,846,186		1,846,000	1,846,000		186	88,090	0	8%	2%	100.0%	100.0%
	48,426,190	6,363,500	40,654,600	47,018,100		88,090	88,090					

[AMar2520 22NRSPA]

[AMar2520 32IGSPA]

CROSSROADS METROPOLITAN DISTRICT NO. 2
Development Summary

Development Projection -- Buildout Plan (updated 3/24/20)

Commercial Development

Product Type	Home Improvement	Furniture Store	Theater	Restaurant	Gas / Convenience	QSR 1	Tire Center	QSR 2
Base \$ ('23)	\$43/sf	\$42/sf	\$186/sf	\$204/sf	\$241/sf	\$227/sf	\$263/sf	\$308/sf
Sales \$ ('23)	\$31/sf	\$36/sf	\$80/sf	\$238/sf	\$331/sf	\$464/sf	\$197/sf	\$583/sf

Comm'l Totals

2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	127,000	114,000	52,000	-	-	-	-	-	293,000
2024	-	-	-	11,000	5,000	3,800	7,200	-	27,000
2025	-	-	-	-	-	-	-	2,800	2,800
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
	127,000	114,000	52,000	11,000	5,000	3,800	7,200	2,800	322,800

MV @ Full Buildout (base prices;un-infl.)	\$5,461,000	\$4,788,000	\$9,672,000	\$2,244,000	\$1,205,000	\$862,600	\$1,893,600	\$862,400	\$26,988,600
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Notes

Platted/Dev Lots = 10% MV; one-yr prior
Base MV \$ inflated 2% per annum

SOURCES AND USES OF FUNDS

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION BONDS, SERIES 2022
50.000 (target) Mills
Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Dated Date	12/01/2022
Delivery Date	12/01/2022

Sources:

Bond Proceeds:	
Par Amount	15,945,000.00
	15,945,000.00

Uses:

Project Fund Deposits:	
Project Fund	11,515,600.00
Other Fund Deposits:	
Capitalized Interest Fund	2,391,750.00
Debt Service Reserve	1,418,750.00
	3,810,500.00
Cost of Issuance:	
Other Cost of Issuance	300,000.00
Delivery Date Expenses:	
Underwriter's Discount	318,900.00
	15,945,000.00

BOND SUMMARY STATISTICS

CROSSROADS METROPOLITAN DISTRICT NO. 2 GENERAL OBLIGATION BONDS, SERIES 2022 50.000 (target) Mills

Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Dated Date	12/01/2022
Delivery Date	12/01/2022
First Coupon	06/01/2023
Last Maturity	12/01/2052
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.153519%
Net Interest Cost (NIC)	5.000000%
All-In TIC	5.302184%
Average Coupon	5.000000%
Average Life (years)	23.013
Weighted Average Maturity (years)	23.013
Duration of Issue (years)	13.436
Par Amount	15,945,000.00
Bond Proceeds	15,945,000.00
Total Interest	18,347,000.00
Net Interest	18,665,900.00
Bond Years from Dated Date	366,940,000.00
Bond Years from Delivery Date	366,940,000.00
Total Debt Service	34,292,000.00
Maximum Annual Debt Service	2,892,750.00
Average Annual Debt Service	1,143,066.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2052	15,945,000.00	100.000	5.000%	23.013	12/05/2045	24,714.75
	15,945,000.00			23.013		24,714.75

	TIC	All-In TIC	Arbitrage Yield
Par Value	15,945,000.00	15,945,000.00	15,945,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-318,900.00	-318,900.00	
- Cost of Issuance Expense		-300,000.00	
- Other Amounts			
Target Value	15,626,100.00	15,326,100.00	15,945,000.00
Target Date	12/01/2022	12/01/2022	12/01/2022
Yield	5.153519%	5.302184%	5.000000%

DETAILED BOND DEBT SERVICE

CROSSROADS METROPOLITAN DISTRICT NO. 2 GENERAL OBLIGATION BONDS, SERIES 2022

50.000 (target) Mills

Non-Rated, 100x @ target, 2052 Final Maturity

(Service Plan: 6% Biennial Re-assessment)

[Preliminary -- for discussion only]

Term Bond due 2052

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2023			398,625	398,625	
12/01/2023			398,625	398,625	797,250
06/01/2024			398,625	398,625	
12/01/2024			398,625	398,625	797,250
06/01/2025			398,625	398,625	
12/01/2025			398,625	398,625	797,250
06/01/2026			398,625	398,625	
12/01/2026	55,000	5.000%	398,625	453,625	852,250
06/01/2027			397,250	397,250	
12/01/2027	75,000	5.000%	397,250	472,250	869,500
06/01/2028			395,375	395,375	
12/01/2028	105,000	5.000%	395,375	500,375	895,750
06/01/2029			392,750	392,750	
12/01/2029	115,000	5.000%	392,750	507,750	900,500
06/01/2030			389,875	389,875	
12/01/2030	155,000	5.000%	389,875	544,875	934,750
06/01/2031			386,000	386,000	
12/01/2031	165,000	5.000%	386,000	551,000	937,000
06/01/2032			381,875	381,875	
12/01/2032	210,000	5.000%	381,875	591,875	973,750
06/01/2033			376,625	376,625	
12/01/2033	225,000	5.000%	376,625	601,625	978,250
06/01/2034			371,000	371,000	
12/01/2034	270,000	5.000%	371,000	641,000	1,012,000
06/01/2035			364,250	364,250	
12/01/2035	285,000	5.000%	364,250	649,250	1,013,500
06/01/2036			357,125	357,125	
12/01/2036	340,000	5.000%	357,125	697,125	1,054,250
06/01/2037			348,625	348,625	
12/01/2037	360,000	5.000%	348,625	708,625	1,057,250
06/01/2038			339,625	339,625	
12/01/2038	420,000	5.000%	339,625	759,625	1,099,250
06/01/2039			329,125	329,125	
12/01/2039	445,000	5.000%	329,125	774,125	1,103,250
06/01/2040			318,000	318,000	
12/01/2040	510,000	5.000%	318,000	828,000	1,146,000
06/01/2041			305,250	305,250	
12/01/2041	540,000	5.000%	305,250	845,250	1,150,500
06/01/2042			291,750	291,750	
12/01/2042	610,000	5.000%	291,750	901,750	1,193,500
06/01/2043			276,500	276,500	
12/01/2043	645,000	5.000%	276,500	921,500	1,198,000
06/01/2044			260,375	260,375	
12/01/2044	725,000	5.000%	260,375	985,375	1,245,750
06/01/2045			242,250	242,250	
12/01/2045	765,000	5.000%	242,250	1,007,250	1,249,500
06/01/2046			223,125	223,125	
12/01/2046	850,000	5.000%	223,125	1,073,125	1,296,250
06/01/2047			201,875	201,875	
12/01/2047	900,000	5.000%	201,875	1,101,875	1,303,750
06/01/2048			179,375	179,375	
12/01/2048	995,000	5.000%	179,375	1,174,375	1,353,750
06/01/2049			154,500	154,500	
12/01/2049	1,050,000	5.000%	154,500	1,204,500	1,359,000
06/01/2050			128,250	128,250	
12/01/2050	1,155,000	5.000%	128,250	1,283,250	1,411,500
06/01/2051			99,375	99,375	
12/01/2051	1,220,000	5.000%	99,375	1,319,375	1,418,750
06/01/2052			68,875	68,875	
12/01/2052	2,755,000	5.000%	68,875	2,823,875	2,892,750
	15,945,000		18,347,000	34,292,000	34,292,000

NET DEBT SERVICE

CROSSROADS METROPOLITAN DISTRICT NO. 2 GENERAL OBLIGATION BONDS, SERIES 2022 50.000 (target) Mills

Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve	Capitalized Interest Fund	Net Debt Service
12/01/2023		797,250	797,250		797,250	
12/01/2024		797,250	797,250		797,250	
12/01/2025		797,250	797,250		797,250	
12/01/2026	55,000	797,250	852,250			852,250
12/01/2027	75,000	794,500	869,500			869,500
12/01/2028	105,000	790,750	895,750			895,750
12/01/2029	115,000	785,500	900,500			900,500
12/01/2030	155,000	779,750	934,750			934,750
12/01/2031	165,000	772,000	937,000			937,000
12/01/2032	210,000	763,750	973,750			973,750
12/01/2033	225,000	753,250	978,250			978,250
12/01/2034	270,000	742,000	1,012,000			1,012,000
12/01/2035	285,000	728,500	1,013,500			1,013,500
12/01/2036	340,000	714,250	1,054,250			1,054,250
12/01/2037	360,000	697,250	1,057,250			1,057,250
12/01/2038	420,000	679,250	1,099,250			1,099,250
12/01/2039	445,000	658,250	1,103,250			1,103,250
12/01/2040	510,000	636,000	1,146,000			1,146,000
12/01/2041	540,000	610,500	1,150,500			1,150,500
12/01/2042	610,000	583,500	1,193,500			1,193,500
12/01/2043	645,000	553,000	1,198,000			1,198,000
12/01/2044	725,000	520,750	1,245,750			1,245,750
12/01/2045	765,000	484,500	1,249,500			1,249,500
12/01/2046	850,000	446,250	1,296,250			1,296,250
12/01/2047	900,000	403,750	1,303,750			1,303,750
12/01/2048	995,000	358,750	1,353,750			1,353,750
12/01/2049	1,050,000	309,000	1,359,000			1,359,000
12/01/2050	1,155,000	256,500	1,411,500			1,411,500
12/01/2051	1,220,000	198,750	1,418,750			1,418,750
12/01/2052	2,755,000	137,750	2,892,750	1,418,750		1,474,000
	15,945,000	18,347,000	34,292,000	1,418,750	2,391,750	30,481,500

BOND SOLUTION

CROSSROADS METROPOLITAN DISTRICT NO. 2 GENERAL OBLIGATION BONDS, SERIES 2022 50.000 (target) Mills

Non-Rated, 100x @ target, 2052 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2023		797,250	-797,250		183,015	183,015	
12/01/2024		797,250	-797,250		389,404	389,404	
12/01/2025		797,250	-797,250		735,400	735,400	
12/01/2026	55,000	852,250		852,250	853,362	1,112	100.13042%
12/01/2027	75,000	869,500		869,500	869,964	464	100.05335%
12/01/2028	105,000	895,750		895,750	900,009	4,259	100.47551%
12/01/2029	115,000	900,500		900,500	904,484	3,984	100.44244%
12/01/2030	155,000	934,750		934,750	936,156	1,406	100.15037%
12/01/2031	165,000	937,000		937,000	940,720	3,720	100.39704%
12/01/2032	210,000	973,750		973,750	974,112	362	100.03714%
12/01/2033	225,000	978,250		978,250	978,768	518	100.05296%
12/01/2034	270,000	1,012,000		1,012,000	1,013,979	1,979	100.19555%
12/01/2035	285,000	1,013,500		1,013,500	1,018,729	5,229	100.51594%
12/01/2036	340,000	1,054,250		1,054,250	1,055,865	1,615	100.15318%
12/01/2037	360,000	1,057,250		1,057,250	1,060,711	3,461	100.32731%
12/01/2038	420,000	1,099,250		1,099,250	1,099,883	633	100.05760%
12/01/2039	445,000	1,103,250		1,103,250	1,104,826	1,576	100.14286%
12/01/2040	510,000	1,146,000		1,146,000	1,146,154	154	100.01342%
12/01/2041	540,000	1,150,500		1,150,500	1,151,196	696	100.06050%
12/01/2042	610,000	1,193,500		1,193,500	1,194,804	1,304	100.10928%
12/01/2043	645,000	1,198,000		1,198,000	1,199,948	1,948	100.16260%
12/01/2044	725,000	1,245,750		1,245,750	1,245,969	219	100.01761%
12/01/2045	765,000	1,249,500		1,249,500	1,251,216	1,716	100.13737%
12/01/2046	850,000	1,296,250		1,296,250	1,299,792	3,542	100.27324%
12/01/2047	900,000	1,303,750		1,303,750	1,305,144	1,394	100.10695%
12/01/2048	995,000	1,353,750		1,353,750	1,356,423	2,673	100.19744%
12/01/2049	1,050,000	1,359,000		1,359,000	1,361,883	2,883	100.21214%
12/01/2050	1,155,000	1,411,500		1,411,500	1,416,023	4,523	100.32041%
12/01/2051	1,220,000	1,418,750		1,418,750	1,421,592	2,842	100.20034%
12/01/2052	2,755,000	2,892,750	-1,418,750	1,474,000	1,478,760	4,760	100.32295%
	15,945,000	34,292,000	-3,810,500	30,481,500	31,848,291	1,366,791	

SOURCES AND USES OF FUNDS

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Dated Date	12/01/2032
Delivery Date	12/01/2032

Sources:

Bond Proceeds:	
Par Amount	22,020,000.00
Other Sources of Funds:	
Series 2022 DSRF	1,418,750.00
Funds on Hand	1,320,000.00
	2,738,750.00
	24,758,750.00

Uses:

Project Fund Deposits:	
Project Fund	9,383,650.00
Refunding Escrow Deposits:	
Cash Deposit	15,065,000.00
Cost of Issuance:	
Other Cost of Issuance	200,000.00
Delivery Date Expenses:	
Underwriter's Discount	110,100.00
	24,758,750.00
	24,758,750.00

BOND SUMMARY STATISTICS

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Dated Date	12/01/2032
Delivery Date	12/01/2032
First Coupon	06/01/2033
Last Maturity	12/01/2062
Arbitrage Yield	4.000000%
True Interest Cost (TIC)	4.036613%
Net Interest Cost (NIC)	4.000000%
All-In TIC	4.103795%
Average Coupon	4.000000%
Average Life (years)	21.156
Weighted Average Maturity (years)	21.156
Duration of Issue (years)	13.952
Par Amount	22,020,000.00
Bond Proceeds	22,020,000.00
Total Interest	18,634,600.00
Net Interest	18,744,700.00
Bond Years from Dated Date	465,865,000.00
Bond Years from Delivery Date	465,865,000.00
Total Debt Service	40,654,600.00
Maximum Annual Debt Service	1,846,000.00
Average Annual Debt Service	1,355,153.33
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	99.500000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2062	22,020,000.00	100.000	4.000%	21.156	01/27/2054	38,314.80
	22,020,000.00			21.156		38,314.80

	TIC	All-In TIC	Arbitrage Yield
Par Value	22,020,000.00	22,020,000.00	22,020,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-110,100.00	-110,100.00	
- Cost of Issuance Expense		-200,000.00	
- Other Amounts			
Target Value	21,909,900.00	21,709,900.00	22,020,000.00
Target Date	12/01/2032	12/01/2032	12/01/2032
Yield	4.036613%	4.103795%	4.000000%

BOND DEBT SERVICE

CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2033			440,400	440,400	
12/01/2033	95,000	4.000%	440,400	535,400	975,800
06/01/2034			438,500	438,500	
12/01/2034	135,000	4.000%	438,500	573,500	1,012,000
06/01/2035			435,800	435,800	
12/01/2035	145,000	4.000%	435,800	580,800	1,016,600
06/01/2036			432,900	432,900	
12/01/2036	185,000	4.000%	432,900	617,900	1,050,800
06/01/2037			429,200	429,200	
12/01/2037	200,000	4.000%	429,200	629,200	1,058,400
06/01/2038			425,200	425,200	
12/01/2038	245,000	4.000%	425,200	670,200	1,095,400
06/01/2039			420,300	420,300	
12/01/2039	260,000	4.000%	420,300	680,300	1,100,600
06/01/2040			415,100	415,100	
12/01/2040	315,000	4.000%	415,100	730,100	1,145,200
06/01/2041			408,800	408,800	
12/01/2041	330,000	4.000%	408,800	738,800	1,147,600
06/01/2042			402,200	402,200	
12/01/2042	390,000	4.000%	402,200	792,200	1,194,400
06/01/2043			394,400	394,400	
12/01/2043	410,000	4.000%	394,400	804,400	1,198,800
06/01/2044			386,200	386,200	
12/01/2044	470,000	4.000%	386,200	856,200	1,242,400
06/01/2045			376,800	376,800	
12/01/2045	495,000	4.000%	376,800	871,800	1,248,600
06/01/2046			366,900	366,900	
12/01/2046	565,000	4.000%	366,900	931,900	1,298,800
06/01/2047			355,600	355,600	
12/01/2047	590,000	4.000%	355,600	945,600	1,301,200
06/01/2048			343,800	343,800	
12/01/2048	665,000	4.000%	343,800	1,008,800	1,352,600
06/01/2049			330,500	330,500	
12/01/2049	700,000	4.000%	330,500	1,030,500	1,361,000
06/01/2050			316,500	316,500	
12/01/2050	780,000	4.000%	316,500	1,096,500	1,413,000
06/01/2051			300,900	300,900	
12/01/2051	815,000	4.000%	300,900	1,115,900	1,416,800
06/01/2052			284,600	284,600	
12/01/2052	905,000	4.000%	284,600	1,189,600	1,474,200
06/01/2053			266,500	266,500	
12/01/2053	950,000	4.000%	266,500	1,216,500	1,483,000
06/01/2054			247,500	247,500	
12/01/2054	1,045,000	4.000%	247,500	1,292,500	1,540,000
06/01/2055			226,600	226,600	
12/01/2055	1,095,000	4.000%	226,600	1,321,600	1,548,200
06/01/2056			204,700	204,700	
12/01/2056	1,200,000	4.000%	204,700	1,404,700	1,609,400
06/01/2057			180,700	180,700	
12/01/2057	1,255,000	4.000%	180,700	1,435,700	1,616,400
06/01/2058			155,600	155,600	
12/01/2058	1,375,000	4.000%	155,600	1,530,600	1,686,200
06/01/2059			128,100	128,100	
12/01/2059	1,435,000	4.000%	128,100	1,563,100	1,691,200
06/01/2060			99,400	99,400	
12/01/2060	1,565,000	4.000%	99,400	1,664,400	1,763,800
06/01/2061			68,100	68,100	
12/01/2061	1,630,000	4.000%	68,100	1,698,100	1,766,200
06/01/2062			35,500	35,500	
12/01/2062	1,775,000	4.000%	35,500	1,810,500	1,846,000
	22,020,000		18,634,600	40,654,600	40,654,600

NET DEBT SERVICE

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal	Interest	Total Debt Service	Net Debt Service
12/01/2033	95,000	880,800	975,800	975,800
12/01/2034	135,000	877,000	1,012,000	1,012,000
12/01/2035	145,000	871,600	1,016,600	1,016,600
12/01/2036	185,000	865,800	1,050,800	1,050,800
12/01/2037	200,000	858,400	1,058,400	1,058,400
12/01/2038	245,000	850,400	1,095,400	1,095,400
12/01/2039	260,000	840,600	1,100,600	1,100,600
12/01/2040	315,000	830,200	1,145,200	1,145,200
12/01/2041	330,000	817,600	1,147,600	1,147,600
12/01/2042	390,000	804,400	1,194,400	1,194,400
12/01/2043	410,000	788,800	1,198,800	1,198,800
12/01/2044	470,000	772,400	1,242,400	1,242,400
12/01/2045	495,000	753,600	1,248,600	1,248,600
12/01/2046	565,000	733,800	1,298,800	1,298,800
12/01/2047	590,000	711,200	1,301,200	1,301,200
12/01/2048	665,000	687,600	1,352,600	1,352,600
12/01/2049	700,000	661,000	1,361,000	1,361,000
12/01/2050	780,000	633,000	1,413,000	1,413,000
12/01/2051	815,000	601,800	1,416,800	1,416,800
12/01/2052	905,000	569,200	1,474,200	1,474,200
12/01/2053	950,000	533,000	1,483,000	1,483,000
12/01/2054	1,045,000	495,000	1,540,000	1,540,000
12/01/2055	1,095,000	453,200	1,548,200	1,548,200
12/01/2056	1,200,000	409,400	1,609,400	1,609,400
12/01/2057	1,255,000	361,400	1,616,400	1,616,400
12/01/2058	1,375,000	311,200	1,686,200	1,686,200
12/01/2059	1,435,000	256,200	1,691,200	1,691,200
12/01/2060	1,565,000	198,800	1,763,800	1,763,800
12/01/2061	1,630,000	136,200	1,766,200	1,766,200
12/01/2062	1,775,000	71,000	1,846,000	1,846,000
	22,020,000	18,634,600	40,654,600	40,654,600

SUMMARY OF BONDS REFUNDED

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
3/25/20: Ser 22 NR SP, 5.00%, 100x, 30yrs, TERM52:					
	12/01/2033	5.000%	225,000.00	12/01/2032	100.000
	12/01/2034	5.000%	270,000.00	12/01/2032	100.000
	12/01/2035	5.000%	285,000.00	12/01/2032	100.000
	12/01/2036	5.000%	340,000.00	12/01/2032	100.000
	12/01/2037	5.000%	360,000.00	12/01/2032	100.000
	12/01/2038	5.000%	420,000.00	12/01/2032	100.000
	12/01/2039	5.000%	445,000.00	12/01/2032	100.000
	12/01/2040	5.000%	510,000.00	12/01/2032	100.000
	12/01/2041	5.000%	540,000.00	12/01/2032	100.000
	12/01/2042	5.000%	610,000.00	12/01/2032	100.000
	12/01/2043	5.000%	645,000.00	12/01/2032	100.000
	12/01/2044	5.000%	725,000.00	12/01/2032	100.000
	12/01/2045	5.000%	765,000.00	12/01/2032	100.000
	12/01/2046	5.000%	850,000.00	12/01/2032	100.000
	12/01/2047	5.000%	900,000.00	12/01/2032	100.000
	12/01/2048	5.000%	995,000.00	12/01/2032	100.000
	12/01/2049	5.000%	1,050,000.00	12/01/2032	100.000
	12/01/2050	5.000%	1,155,000.00	12/01/2032	100.000
	12/01/2051	5.000%	1,220,000.00	12/01/2032	100.000
	12/01/2052	5.000%	2,755,000.00	12/01/2032	100.000
			15,065,000.00		

ESCROW REQUIREMENTS

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal Redeemed	Total
12/01/2032	15,065,000.00	15,065,000.00
	15,065,000.00	15,065,000.00

PRIOR BOND DEBT SERVICE

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2033			376,625	376,625	
12/01/2033	225,000	5.000%	376,625	601,625	978,250
06/01/2034			371,000	371,000	
12/01/2034	270,000	5.000%	371,000	641,000	1,012,000
06/01/2035			364,250	364,250	
12/01/2035	285,000	5.000%	364,250	649,250	1,013,500
06/01/2036			357,125	357,125	
12/01/2036	340,000	5.000%	357,125	697,125	1,054,250
06/01/2037			348,625	348,625	
12/01/2037	360,000	5.000%	348,625	708,625	1,057,250
06/01/2038			339,625	339,625	
12/01/2038	420,000	5.000%	339,625	759,625	1,099,250
06/01/2039			329,125	329,125	
12/01/2039	445,000	5.000%	329,125	774,125	1,103,250
06/01/2040			318,000	318,000	
12/01/2040	510,000	5.000%	318,000	828,000	1,146,000
06/01/2041			305,250	305,250	
12/01/2041	540,000	5.000%	305,250	845,250	1,150,500
06/01/2042			291,750	291,750	
12/01/2042	610,000	5.000%	291,750	901,750	1,193,500
06/01/2043			276,500	276,500	
12/01/2043	645,000	5.000%	276,500	921,500	1,198,000
06/01/2044			260,375	260,375	
12/01/2044	725,000	5.000%	260,375	985,375	1,245,750
06/01/2045			242,250	242,250	
12/01/2045	765,000	5.000%	242,250	1,007,250	1,249,500
06/01/2046			223,125	223,125	
12/01/2046	850,000	5.000%	223,125	1,073,125	1,296,250
06/01/2047			201,875	201,875	
12/01/2047	900,000	5.000%	201,875	1,101,875	1,303,750
06/01/2048			179,375	179,375	
12/01/2048	995,000	5.000%	179,375	1,174,375	1,353,750
06/01/2049			154,500	154,500	
12/01/2049	1,050,000	5.000%	154,500	1,204,500	1,359,000
06/01/2050			128,250	128,250	
12/01/2050	1,155,000	5.000%	128,250	1,283,250	1,411,500
06/01/2051			99,375	99,375	
12/01/2051	1,220,000	5.000%	99,375	1,319,375	1,418,750
06/01/2052			68,875	68,875	
12/01/2052	2,755,000	5.000%	68,875	2,823,875	2,892,750
	15,065,000		10,471,750	25,536,750	25,536,750

BOND SOLUTION

**CROSSROADS METROPOLITAN DISTRICT NO. 2
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2032
50.000 (target) Mills
Investment Grade, 100x @ target, 2062 Final Maturity
(Service Plan: 6% Biennial Re-assessment)
[Preliminary -- for discussion only]**

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2033	95,000	975,800	975,800	978,768	2,968	100.30417%
12/01/2034	135,000	1,012,000	1,012,000	1,013,979	1,979	100.19555%
12/01/2035	145,000	1,016,600	1,016,600	1,018,729	2,129	100.20943%
12/01/2036	185,000	1,050,800	1,050,800	1,055,865	5,065	100.48201%
12/01/2037	200,000	1,058,400	1,058,400	1,060,711	2,311	100.21830%
12/01/2038	245,000	1,095,400	1,095,400	1,099,883	4,483	100.40927%
12/01/2039	260,000	1,100,600	1,100,600	1,104,826	4,226	100.38398%
12/01/2040	315,000	1,145,200	1,145,200	1,146,154	954	100.08328%
12/01/2041	330,000	1,147,600	1,147,600	1,151,196	3,596	100.31336%
12/01/2042	390,000	1,194,400	1,194,400	1,194,804	404	100.03384%
12/01/2043	410,000	1,198,800	1,198,800	1,199,948	1,148	100.09575%
12/01/2044	470,000	1,242,400	1,242,400	1,245,969	3,569	100.28730%
12/01/2045	495,000	1,248,600	1,248,600	1,251,216	2,616	100.20955%
12/01/2046	565,000	1,298,800	1,298,800	1,299,792	992	100.07637%
12/01/2047	590,000	1,301,200	1,301,200	1,305,144	3,944	100.30313%
12/01/2048	665,000	1,352,600	1,352,600	1,356,423	3,823	100.28263%
12/01/2049	700,000	1,361,000	1,361,000	1,361,883	883	100.06488%
12/01/2050	780,000	1,413,000	1,413,000	1,416,023	3,023	100.21391%
12/01/2051	815,000	1,416,800	1,416,800	1,421,592	4,792	100.33825%
12/01/2052	905,000	1,474,200	1,474,200	1,478,760	4,560	100.30934%
12/01/2053	950,000	1,483,000	1,483,000	1,484,442	1,442	100.09724%
12/01/2054	1,045,000	1,540,000	1,540,000	1,544,816	4,816	100.31270%
12/01/2055	1,095,000	1,548,200	1,548,200	1,550,612	2,412	100.15577%
12/01/2056	1,200,000	1,609,400	1,609,400	1,614,379	4,979	100.30934%
12/01/2057	1,255,000	1,616,400	1,616,400	1,620,291	3,891	100.24072%
12/01/2058	1,375,000	1,686,200	1,686,200	1,687,650	1,450	100.08602%
12/01/2059	1,435,000	1,691,200	1,691,200	1,693,682	2,482	100.14674%
12/01/2060	1,565,000	1,763,800	1,763,800	1,764,844	1,044	100.05922%
12/01/2061	1,630,000	1,766,200	1,766,200	1,770,997	4,797	100.27160%
12/01/2062	1,775,000	1,846,000	1,846,000	1,846,186	186	100.01010%
	22,020,000	40,654,600	40,654,600	40,739,565	84,965	

EXHIBIT E

ANNUAL REPORT AND DISCLOSURE FORM
(Sample attached)

**EL PASO COUNTY SPECIAL DISTRICTS
ANNUAL REPORT and DISCLOSURE FORM**

1.	Name of Districts:	Crossroads Metropolitan District Nos. 1-2
2.	Report for Calendar Year:	2020
3.	Contact Information	SPENCER FANE LLP Attention: Russell W. Dykstra 1700 Lincoln Street, Suite 2000 Denver, CO 80203-4554 Phone: 303-839-3845 E-mail: rdykstra@spencerfane.com
4.	Meeting Information	Meeting information can be found by contacting the contact person listed above.
5.	Type of Districts/ Unique Representational Issues (if any)	Colorado Revised Statutes Title 32 Metropolitan District, District No. 1 as proposed control district and District No. 2 as proposed financing district.
6.	Authorized Purposes of the Districts	The Service Plan authorizes all permissible purposes as allowed under Colorado Revised Statutes Title 32
7.	Active Purposes of the Districts	Proposed design, construction and completion of an estimated \$48,500,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, drainage, traffic and safety, and park and recreation improvements
8.	Current Certified Mill Levies a. Debt Service b. Operational c. Total	a. 50 Mills (as may be Gallagher adjusted) b. 10 Mills (as may be Gallagher adjusted) c. 60 Mills (as may be Gallagher adjusted)
9.	Sample Calculation of Current Mill Levy for a Residential Property (as applicable).	Assume a residential property with a value of \$300,000 x 7.15% = \$21,450 (assessed value); \$21,450 x .060 = \$1,287 taxes per year due to the District
10.	Maximum Authorized Mill Levy Caps (Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals) a. Debt Service b. Operational c. Total	a. 50 Mills (as may be Gallagher adjusted) b. 10 Mills (as may be Gallagher adjusted) c. 60 Mills (as may be Gallagher adjusted)
11.	Sample Calculation of Mill Levy Cap for a Residential Property (as applicable).	See #9 above.
12.	Current Outstanding Debt of the Districts (as of the end of year of this report)	N/A

13.	Total voter-authorized debt of the Districts (including current debt)	N/A
14.	Debt proposed to be issued, reissued or otherwise obligated in the coming year.	N/A
15.	Major facilities/ infrastructure improvements initiated or completed in the prior year	N/A
16.	Summary of major property exclusion or inclusion activities in the past year.	N/A

Reminder:

A. As per Colorado Revised Statutes, Section 32-1-306, as it may be amended from time to time (which, among other things, outlines requirements to be met following organization of a district), the special district shall maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the County Assessor.

Name and Title of Respondent

Signature of Respondent

Date

RETURN COMPLETED FORM TO: El Paso County Board of County Commissioners
Attention: Clerk to the Board
200 South Cascade Avenue
Colorado Springs, Colorado 80903

****NOTE:** As per CRS Section 32-1-104(2), which outlines certain requirements related to the filing of an annual notice, a copy of this report should also be submitted to:

County Assessor - 1675 West Garden of the Gods Road, Suite 2300, Colorado Springs, Colorado 80907

County Treasurer - 1675 West Garden of the Gods Road, Suite 2100, Colorado Springs, Colorado 80907

RESOLUTION NO. 07-272
EXHIBIT A
SPECIAL DISTRICT POLICIES

I. PURPOSE, INTENT AND APPLICATION

- A. Purpose.** The purpose of these policies is to provide a framework for the evaluation of applications for new, amended and updated special district service plans as authorized by C.R.S. Title 32 and which are under the jurisdiction of the El Paso County Board of County Commissioners.
- B. Intent.** It is the intent that applications for new and revised service plans should be drafted to both address and be consistent with these policies. However, the applicant(s) for a proposed district or districts, or amendment to any existing service plan shall have the right to seek relief or modification from any of these stated policies, based on proper justification, to the extent allowable by law. The County, for its part, maintains its discretion to apply additional evaluation criteria, policies and limitations to the formation of new and revised districts, as the County may deem applicable.
- C. Model Service Plans.** New service plans and any major amendments thereof shall adhere to the applicable Model Service Plan formats as further addressed in Resolution No. 07-273 (June 25, 2007) as may be amended. The purposes of the model plan approach include standardizing the organization of information, and inclusion of standard language and limitations consistent with current Board policy. Additionally, this approach is intended to focus on variations from standard language and/or policy. The appropriate Model Service Plan template (i.e. Single District, Multiple District, and Master District) should be utilized and then modified as appropriate to address the particular needs and circumstances associated with a given application. Title 32 Special Districts which are not metropolitan districts should adhere to the Model Service Plan template to the extent possible.
- D. Required Hearings.** Prior to a hearing of the Board of County Commissioners, all service plans for new Title 32 Special Districts and Major Amendments thereof shall first be considered at a hearing of the Planning Commission in accordance with Colorado Revised Statutes and as further described in the El Paso County Land Development Code and its accompanying Procedures Manual. Any request

for a service plan amendment which does not meet the definition of a Major Amendment does not require a hearing by the Planning Commission unless a need for this hearing is specifically determined by the Development Services Department Director. The above policy is intended to apply retroactively to any previously approved Service Plans which may have had conditions requiring all requests for Material Modifications to first be heard by the Planning Commission.

E. Special Justification. Certain matters shall be specifically and comprehensively justified based on the unique needs and circumstances associated with the particular Service Plan application. Matters requiring special justification include but are not necessarily limited to the following, as further addressed in these policies:

1. Use of Master Districts;
2. Authorization of mill levy caps in excess of the caps as set forth in Section III.F;
3. Specific authorization of special purpose mill levy caps which have the effect of increasing the Maximum Combined Mill Levy Cap above 60 (sixty) mills as set forth in Section III.F.5 and 6;
3. Processing of service plans prior to approval of underlying land use approvals as set forth in Section III.I.;
4. Use of a district or districts for covenant enforcement in lieu of Homeowners Associations (HOAs), where a Master District arrangement is proposed and/or where the district or districts are not otherwise being used to provide ongoing services.

F. Procedures. The detailed procedures governing the application process for new and amended service plans shall be maintained by the Development Services Director in a Procedures Manual (to be subsequently adopted by the BoCC and as may be amended).

II. BACKGROUND

A. History. Prior to 2007, El Paso County followed Special District policies which were initially adopted on September 2, 2004, and subsequently amended on September 22, 2005, and on December 28, 2006 to address limited changes. El Paso County has processed approximately 40 new and amended Service Plan Applications between 2000 and mid- 2007, involving about 70 separate districts. During this period, policy issues have continued to evolve. In October of 2006

the Board of County Commissioners directed the Long Range Planning Division Staff to review the County's existing policy language for additional updates and pursue the adoption of a Model Service Plan approach.

- B. **Formation of Special District Task Force.** Since the County recognizes the value Special Districts provide in developing community infrastructure and services, a Special District Task Force was formed in early 2007, comprised of special district attorneys and managers, members of the development community, El Paso County Administration and Commissioners, and citizen representatives.
- C. **Objectives of Special District Task Force.** The initial, 2006 objectives of the Task Force were (1) to recommend an updated Annual Report form; and (2) make a policy recommendation pertaining to developer advances. Additional objectives for 2007 included revising existing County policy and preparation of Model Service Plans. It was contemplated the Task Force may also be utilized to provide beneficial input regarding potential future legislative and technological changes. The importance of using the County Web site as a vehicle for communication and disclosure was also agreed upon.
- D. **Outcome of Special District Task Force.** An updated Annual Report Form was prepared to include a single combined Annual Report and Disclosure form, approved by the Board of County Commissioners on December 18, 2006. County staff worked together to reference this document on the Assessor's tax bill and allow for internet availability. The developer funding agreement policy was proposed and approved by the Board of County Commissioners on December 28, 2006. Special District Model Service Plans and revised Policies were approved by the Board of County Commissioners on June 25, 2007.

III. **OVERALL SERVICE PLAN POLICIES**

- A. **Conformity.** All proposed service plans shall be evaluated by both the applicant and County staff for conformity with the applicable standards contained in C.R.S. 32-1-203. Evaluation shall consist of more than a simple listing of the standards and/or statement that the service plan complies.
- B. **Consistency.** All proposed service plans shall also be evaluated by the County for consistency with applicable elements of the El Paso County Master Plan, and with respect to these Special District Policies.

- C. **Applicable Statutes and El Paso County Preferences.** It shall be the responsibility of the applicant to assure that service plans are drafted to meet all of the minimum requirements contained in C.R.S. Title 32, specifically including C.R.S. 32-1-202 (2) as well as all other applicable State requirements.
1. Districts which include water supply as one of their purposes shall be strongly encouraged to join the El Paso County Water Authority upon formation.
 2. The preference of El Paso County is for the formation of conventional districts which accord full electoral representation to residents and property owners within the district(s) and/or service area(s).
- D. **Application and Schedule.** Although the County will endeavor to be reasonably flexible in accommodating the scheduling needs of special district applicants, it is the ultimate responsibility of the applicants to allow sufficient time to meet the County's procedural guidelines and requirements for application processing.
- E. **Review.** Service plans shall be drafted and processed in a manner that allows for coordination and input of all affected elected officials and County departments and other external agencies, specifically including the Clerk and Recorder, the Assessor and the Treasurer.
- F. **Mill Levy Caps**
1. All proposed districts that rely significantly on future development to meet financing projections shall include mill levy caps as part of their service plans. To the extent permitted by law, such caps may be lifted once the district achieves the ratios of assessed valuation to debt and other requirements which would allow these caps to be removed. However, actual removal of a Board-imposed mill levy cap is subject to approval of the Board of County Commissioners at the time the cap is proposed to be removed. Removal of mill levy caps should be supported by justifications including, but not limited to, data establishing ratios of assessed valuation to debt that meet statutory criteria for the issuance of bonds without a mill levy cap, and enhancement of a district's ability to refinance debt at a more favorable rate (if proposed in connection with a refunding of debt).
 2. The Maximum Debt Service Mill Levy Cap for Full Service Districts shall normally be 50 (fifty) mills, subject to Gallagher adjustment as permitted by law. Debt Service Caps for Limited Service Districts should be

correspondingly lower based generally on the proportion of services and facilities the district will be providing compared with a Full Service District.

3. A Maximum Operational Mill Levy Caps of up to 10 (ten) mills shall be allowed if supported by the Service Plan and accompanying Development and Financial analyses. Unless a special district has been “de-TABORED” with respect to its operational mill levy, the Maximum Operational Mill Levy Cap shall not subject to Gallagher adjustment.
4. All service plans for metropolitan districts shall specify a Maximum Combined Mill Levy cap. Unless otherwise provided for and justified below, the Maximum Combined Mill Levy shall be 60 (sixty) mills
5. If justified and fully documented by supporting information, an increase in the Maximum Operational, Debt Service and/or Maximum Combined Mill Levy Caps to allow up to 15 (fifteen) additional mills may be specifically authorized for the purpose of funding ongoing fire protection services where either the District itself will be providing these services or the District(s) propose to contract with another district to provide these services. Such additional mill levy caps shall only be allowed in cases where the property within the proposed district is not presently included in an organized fire protection district.
6. If justified and fully documented by supporting information, an increase in the Maximum Combined Mill Levy Caps of up to 5 (five) additional mills may be specifically authorized as a Special Purpose Mill Levy for the purpose of funding ongoing covenant enforcement and/or maintenance of common facilities in the absence of a Homeowners Association, or if such covenant enforcement, in the alternative, is to be undertaken by the District.
7. In cases where districts are subject to a mill levy cap and will be relying significantly on future development to meet financing projections, notice shall be provided in the service plan or its approval to the effect that repayment periods for bonds and/or other district obligations are subject to extension in the event revenues come in at a rate lower than anticipated.

G. Disclosure, Notice and Annual Reports

1. It is the policy of El Paso County to further and encourage full, balanced, clear, convenient and constructive disclosure of special district information to all potentially effected parties especially including existing and potential future residential property owners.
2. Notice and disclosure should specifically address topics including but not necessarily limited to unique representational issues (e.g. master districts), dissemination of contact and basic financial information to property owners, and apprising tax and rate payers of their potential maximum financial risk and exposure associated with owning property in the district(s)
3. All districts shall file an Annual Report and Disclosure form in accordance with Resolution 06-472, as may be amended.

H. Non-Proliferation and Need for Districts. Notwithstanding the many factors which may create a justification to form one or more new and independent special district(s), it is the policy of the County to discourage the unnecessary proliferation of additional districts in the County.

1. All proposals for new districts shall clearly and comprehensively justify their need compared with alternatives including using existing districts or non-special district options.
2. Plans for new districts shall be designed and implemented to allow reasonable options for inclusion of additional property; thereby reducing the necessity of creating additional districts in the future.
3. Although the County supports the reasonable and judicious inclusion of additional territory by existing and proposed new districts, conditions should be placed on new and revised service plans to limit the potential for inclusion of remote properties unless these actions were anticipated in the original service plan.
4. Service Plans should be written with contingences that contemplate eventual annexation of territory by a municipality, in cases where this is a significant possibility.

I. Land Use Approvals. Applicants for developer-initiated districts are encouraged to obtain Underlying Land Use Approvals prior to, or at a minimum, in conjunction with service plan application. In those cases where an applicant desires to process a service plan prior to final action on underlying land use approvals, the

burden shall be on the applicant to justify the necessity of this timing, sufficient conditions shall be placed on the service plan to address potential subsequent denial or modification of the land use applications, and notations shall be added making it clear that the County has no obligation whatsoever to approve subsequent land use applications in cases where applicants may chose to process service plans in advance of obtaining underlying land use approvals.

J. Fees. Within the limits of State Statutes, it is the policy of the County to establish and charge fees commensurate with the actual cost of processing and reviewing of new and amended service plans. Such fees are established by separate Board resolution, and may be waived or reduced by the Board of County Commissioners either in advance of or in conjunction with the hearing on a given service plan. Justifications for fee waiver or reduction include, but are not limited to:

1. County-initiated or partnered service plans.
2. Reduced fee based on limited non-controversial modification to an existing Service Plan.
3. Processing of service plans for volunteer initiatives and/or for districts with limited proposed indebtedness and revenue generation.

IV. SERVICE PLAN REQUIREMENTS & PROCEDURES

A. Development and Financial Analysis. A development analysis shall be required prior to formation or full authorization of all proposed districts which rely significantly on future development to meet financial projections

1. At a minimum, the development analysis shall include a summary of the anticipated development within the district described by applicable category and with development absorption projected throughout the applicable forecast period.
2. A summary financial analysis shall be provided to correspond with the development analysis. This financial analysis shall include, a first year revenue budget, a summary of projected revenues, expenditures, and proposed debt issuances over the forecast period, and at a minimum shall address the requirements of C.R.S. 32-1-202 (2) (b) and (f).
3. The development analysis and financial plan shall address the “most probable” market absorption assumptions at a minimum, but shall also specifically address contingencies in the event initial development is

significantly delayed and/or market absorption occurs at significantly lower rates than anticipated.

4. Service Plans for newly developing areas shall specifically address the potential vulnerability of the development forecasts to short-term market downturns at the beginning of the forecast period.

B. Eligible Improvements.

1. It is the policy of the County to encourage the use of financing districts for Regional Public Improvements which provide a benefit to a significant share of residents and businesses within a larger development and/ or to areas outside the development.
2. Special districts may be authorized to fund Local Public Improvements, where a need is demonstrated, and if a plan for this financing can be justified in the Service Plan.
3. Districts shall not be authorized to finance non-public improvements, nor shall district facilities be used for non-public purposes without proper remuneration to the district(s).
4. In cases where districts are used to finance Local Public Improvements which are tied to the subdivision process, any Service plans and/or subdivision agreements shall be structured in order to prevent a loss of sales tax revenue from sales of construction materials which would otherwise accrue to the County or other local government taxing entities.

C. Acquisitions and Eminent Domain

1. The policy of the County is to generally discourage the use of districts as a mechanism to reimburse developers for the cost of facilities or other costs already committed to a land development project unless such reimbursement was contemplated in previous County approvals.
2. The contemplated use of eminent domain and/or dominant eminent domain should be addressed in the service plan with reasonable limits placed on thereon, based on the intended use of the district(s). Such limits may include the requirement for express prior approval of the Board for any purposes not explicitly identified in the service plan.
3. In no case shall the authorized eminent or dominant eminent domain powers of the district(s) be used to acquire land or other assets for the purpose of private economic development of such property, where such

acquisition is not clearly necessary to support the essential facility and service provision purposes of the districts (s).

4. Pursuant to Colorado Revised Statutes, districts shall not be authorized to acquire water rights by condemnation.

D. Authorization of Debt and Issuance of Bonds

1. Districts shall be encouraged to prudently phase the issuance of debt, especially in situations where future development will be substantially relied upon for to generate revenue to pay such debt.
2. The pre-authorization of debt shall be reasonably limited.
3. In cases where there will be a Master District arrangement, consideration may be given to limitations which require prior Board of County Commissioners approval for re-authorization of debt if and when the original authorization expires.
4. Districts shall evaluate their proposed mill levy and debt in relationship to the current and potential future combined mill levies and debt which may be levied by all overlapping and eligible taxing entities for the affected area.
5. Where applicable and appropriate, districts are encouraged to rely on a combination of property taxes, fees and charges both to diversify their revenue sources and to reduce some of the repayment impact on future property owners, particularly in the case where the district(s) will be used to fund Local Public Improvements.
6. Districts are encouraged to limit the term of bond issuances to the shortest time period that is reasonable and practical. The term of each individual bond issue should be limited to thirty (30) years or less unless specific justification for a longer duration is provided.
7. In cases where developers or other directly interested parties may be purchasing developer-held bonds, an opinion letter from an external financial advisor shall be provided to ensure that interest rates for these bonds are competitive as compared with bonds sold on the open market.
8. Districts shall not be authorized to directly accept sales or use tax revenues (i.e. from tax increment financing arrangements) without express prior approval of the Board).

- E. Developer Funding Agreements.** Districts shall be allowed to prudently use developer funding agreements and/or capitalized interest as a means of compensating for delays in receipt of property tax and other revenues in newly developing districts.
1. The proposed and potential use of Developer Funding Agreements shall be addressed as part of the Service Plan for new districts and Major Amendments, as well as for other non-Major Amendments if this topic is deemed by the Development Services Director to be pertinent to the amendment.
 2. To the extent Developer Funding Agreements are included in an approved Service Plan (or any amendment thereof), such Agreements may provide for the earning of simple interest thereon, but under no circumstances shall any such Agreement permit the compounding of interest. The Service Plan may permit an interest rate that does not exceed the prime interest rate plus two points thereon
 3. Unless specifically addressed in the original Service Plan or a Board of County Commissioners-approved amendment of the Service Plan, the maximum term for repayment of a Developer Funding Agreement shall be twenty (20) years from the date the Special District becomes obligated to repay the Developer Funding Agreement under the associated contractual obligation. For the purpose of this provision, Developer Funding Agreements are considered repaid once the obligations are fully paid in cash or when converted to bonded indebtedness of the Special District (including privately placed bonds). Any extension of such term must be approved by the Board.
 4. Required disclosure notices shall clearly identify the potential for a Special District to enter into obligations associated with Developer Funding Agreements.

F. Multiple Districts.

1. Multiple District Service Plans shall include the following:
 - a. Provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area.

- b. Clearly and comprehensively address the relationships among separate districts, including proposed intergovernmental agreements and contingencies for potential dissolution or combination.
 - c. Clearly address intent to fairly and equitably distribute costs and benefits among separate districts.
- 2. If justified in the Service plan(s) the Board may consider Multiple District concepts for the following purposes:
 - a. Accommodating the phasing of infrastructure financing for distinct major phases of a larger land development project
 - b. Allowing for differential mill levies between non-residential and residential areas within a larger project for the purposes of addressing the impact of the Gallagher Amendment.

G. Master Districts. Service plans which contemplate Master District concepts shall provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area. Master District approvals shall be allowed subject to specific justification of the unique need for these limited representation arrangements.

- 1. The preference of El Paso County is for the formation of conventional districts that accord full electoral representation to residents and property owners within the district(s) and/or service area(s).
- 2. Service Plans that contemplate Master District concepts shall provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area.
- 3. In cases where one or more Master Districts will provide services or facilities to a larger defined service area, the applicants for the district shall use reasonable means (including mailings and/or informational meeting) to inform existing property owners of the proposed district arrangement.
- 4. Board of County Commissioners appointed Citizen Advisory Councils (CACs) should be actively considered as a means to allow a more formal role in the affairs of the Controlling Board of Directors, including, where appropriate, consideration of establishing the Chair of the CAC as either

an ex-officio or formal voting member of the Controlling Board of Directors.

5. If not initially required as a condition of Service Plan approval, and if so provided as part of such approval, at any time during the existence of the Controlling Board of Directors, the Board of County Commissioners, either on its own initiative or in response to citizen input, may exercise their prerogative to require the creation a Citizen Advisory Council (CAC) if it is determined to be in the best interest of the County, and/or the property owners within the service area. The Board may establish the Chair of the CAC as either an *ex-officio* or formal voting member of the Controlling Board of Directors.
6. Other than responsibility for the appointment process, the Controlling Board of Directors shall have responsibility for support of any CACs, which may be required.
7. In the event of insufficient interest in CAC membership, appropriate justification presented by the Controlling District Board of Directors, or for any other reason, the Board of County Commissioners, at its sole discretion, shall have the right to eliminate a prior requirement for a CAC.
8. Service plans which contemplate Master District arrangements shall include provisions to accommodate a transition back to a conventional district once the area served by the district(s) is fully developed.

H. Covenant Enforcement and Homeowner's Association Functions.

1. Any intent or reserved option to use the proposed District(s) for Homeowners Association (HOA) functions, including covenant enforcement or common area maintenance should be clearly described in the Service Plan. Such description should specify whether there is intent to use the District(s) in lieu of one or more HOAs or to contract with HOA(s) for provision of certain services.
2. Use of district(s) for ongoing covenant enforcement purposes should be specifically discouraged if there are expected to be no other ongoing needs for the perpetual existence of the District(s).

I. Service Plan Amendments & Material Modifications.

1. The Board of County Commissioners reserves the discretion to impose review standards and hearing requirements as deemed appropriate and

necessary for any application for amendment of an existing Service Plan, as otherwise allowed under State Statute.

2. In cases where one or more Major Amendments are proposed to be made to an existing Service Plan, a revised Service Plan submittal shall be required with hearings to be scheduled before both the Planning Commission and the Board of County Commissioners consistent with the review of a Service Plan for a new district, except where these procedures may be clearly inapplicable. Final action on a Major Amendment shall consist of approval of the new Service Plan which will have the effect of replacing the previous one, and any conditions or notations which may have been imposed on that plan by the Board of County Commissioners.
3. In cases where one or more Minor Amendments are proposed to be made to an existing Service Plan, the submittal shall not normally require a complete new Service Plan, but only those materials necessary to support and justify the amendment as determined by the Development Services Department Director in consultation with the County Attorney's Office. The hearing or hearings addressing Minor Amendments shall be scheduled directly before the Board of County Commissioners. Final action on a Minor Amendment shall consist of approval of a resolution specifically amending the language included in the existing Service Plan or the conditions or notations imposed on that plan by the Board of County Commissioners.
4. Material Modifications may be processed as either Major or Minor Amendments at the discretion of the Development Services Department Director in consultation with the County Attorney's Office.
5. Administrative amendments to approved Service Plans shall only be approved administratively (by the Development Services Department Director in consultation with the County Attorney's Office) in those cases where this authority is expressly delegated by the Board of County Commissioners.
6. Determinations as to the use and applicability of the Major or Minor Amendment process, as outlined above, shall be made by the Development Services Department Director for all Service Plans

approved prior to the date of adoption of these policies, based on a determination of the need for and appropriateness of the Minor versus Major Amendment processes.

7. Any administrative decisions concerning IV. J. 2-6 above may be appealed to the Board of County Commissioners pursuant to applicable procedures as outlined in the El Paso County Land Development Code, or as otherwise provided for in State Statute.

V. DEFINITIONS

The following terms are defined specifically and solely for use in conjunction with these El Paso County Special District Policies. The definitions may or may not completely correspond with definitions in State Statutes, the El Paso County Land Development Code, or other relevant documents:

- Board – The Board of County Commissioners of El Paso County, unless otherwise specified
- Citizens Advisory Council (CAC) – A five (5) member advisory board appointed by the Board of County Commissioners for the purpose of providing input to the Commissioners and to the Controlling Board(s) in the case of Master District arrangements.
- Complete Service Plan – A complete service plan filed in accordance with C.R.S. Title 32 and County requirements and these Policies, and specifically including a complete financial plan as well as a market study, if applicable
- Controlling Board of Directors – The board or boards of directors of that have the ability to directly influence the major financial decisions of a district or combination of related districts.
- Conventional Representative District – One or more Title 32 special districts, each of which is structured to allow all residents and property owners to participate in elections for the Controlling Board(s) of Directors, as otherwise allowed by Statute.
- County – El Paso County, Colorado, as represented by its Board of County Commissioners.
- Developer Funding Agreement – An agreement of any kind executed between a Special District (“District”) and a Developer as this term is specifically defined below, including but not limited to advance funding agreements, reimbursement agreements or loans to the District from a Developer, where such an agreement creates an obligation of any kind which may require the District to re-pay the Developer. The term “Developer” means any person or entity (including but not limited to corporations, venture partners,

proprietorships, estates and trusts) that owns or has a contract to purchase undeveloped taxable real property greater than or equal to ten percent (10%) of all real property located within the boundaries of the District. The term “Developer Funding Agreement” shall not extend to any such obligation listed above if such obligation has been converted to any bonds issued by the District to evidence the obligation to repay such Developer Funding Agreement, including the purchase of these bonds by a Developer.

- District(s) – Any district or districts duly organized or contemplated to be organized under C.R.S. Title 32.
- Dominant Eminent Domain – Condemnation action undertaken by one governmental entity with respect to property owned by another governmental entity.
- External Financial Advisor – A consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer’s Municipal Market Place; and (iii) is not an officer or employee of the District for which External Advisor Services are being rendered, and (iv) has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.
- Full Service District – A 32 district which may be a metropolitan district and which provides a substantially full range of facilities and services to normally include central water and sewer, along with a combination of other purposes which may include road improvements, parks and recreation, and drainage. A Full Service District may contract or otherwise arrange with other entities to provide some of these facilities and services.
- Gallagher Adjustment – An allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy intended to offset the effect of adjustments to the ratio between market value and assessed value of taxable property within the applicable District that would cause a reduction in the revenue otherwise produced from such Maximums based on the ratio between market value and assessed value as of January 1 in the year in which the applicable District’s organizational election is held.
- Limited Service District – A Title 32 district that may be a metropolitan district and which provides a more limited range of facilities, services or purposes than a Full Service

District, such that either other entities or the individual property owner are responsible for providing a significant share of the facility and service needs of the development.

- Local Public Improvements – Facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, but which do not qualify under the definition of Regional Public Improvements. Examples would include local streets and appurtenant facilities, water and sewer lines which serve individual properties and drainage facilities that do not qualify as reimbursable under adopted drainage basin planning studies.
- Major Amendment – An amendment to an existing approved Service Plan which is considered substantial enough to warrant the submittal of a revised Service Plan and the requirement for hearings by both the Planning Commission and the Board of County Commissioners, as determined by the Development Services Department Director in consultation with the County Attorney's Office. Such Amendments specifically include but are not limited to those amendments which are expressly stipulated as being Major Amendments, either in the text of the existing Service Plan or in the conditions or notations attached to its approval.
- Material Modification – Any variance or deviation from an existing approved Service Plan which meets the definition of this term as it is defined in C.R.S. 32-1-207 (2) and/or any other variance or deviation which is specifically identified as a Material Modification either in the text of the existing approved Service Plan or the conditions or notations attached to its approval. The procedure for Board of County Commissioners approval of Material Modifications may involve either a Minor or a Major Amendment as addressed in these policies.
- Master District – Any arrangement of districts with the intent of using one or more small directors parcels for the purpose of retaining control of the key financial decisions of the districts such that the majority of future property owners who will receive facilities and/or services of the district(s) will not be eligible to participate in the election of the Controlling Board of Directors.
- Maximum Debt Service Mill Levy Cap – The maximum Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service plan, may certify against any property within the district(s) for the purpose of servicing any debt incurred by or on behalf of the districts (s).
- Maximum Operational Mill Levy Cap – The maximum Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service

plan, may certify against any property within the district(s) for the purposes providing revenues for ongoing services, administration or any other allowable activities other than the servicing of debt.

- Maximum Combined Mill Levy Cap – The maximum combined Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service plan, may certify against any property within the district(s) for any purposes.
- Minor Amendment – An amendment to an existing approved Service Plan which is not considered substantial enough to warrant the requirement for submittal of a complete revised Service Plan and the requirement for hearings by both the Planning Commission and the Board of County Commissioners, as determined by the Development Services Department Director in consultation with the County Attorney's Office. Such Amendments specifically include but are not limited to those amendments which are expressly stipulated as being Minor Amendments either in the text of the existing Service Plan or the conditions or notations attached to its approval.
- Model Service Plan – The applicable standardized format and content for a service plan as currently adopted by the Board of County Commissioners.
- Multiple Districts – Any combination of two (2) or more districts as part of a consolidated service plan for the purpose(s) of phasing the relinquishment of control by a developer-controlled board of directors and/or phasing the issuance of debt in accordance with phased land use plan and/or accommodation of differential mill levies within the consolidated service area.
- Planning Commission – The El Paso County Planning Commission.
- Regional Public Improvements – Facilities and other improvements which are or will be dedicated to the County or another governmental or quasi-governmental entity for substantially public use, and which serve the needs of the region.
- TABOR and deTABOR – “TABOR” is an acronym which refers to the Taxpayer Bill of Rights found in Article 10, Section 20 of the Colorado Constitution.
- Underlying Land Use Approvals – Any pre-existing approvals by the Board of County Commissioners of one or more sketch plans, generalized planned unit development (PUD) Plans, site-specific PUD plans, conventional rezonings, preliminary plans, final plats, or any combinations of the foregoing which are consistent with and support the development assumptions included in the Service Plan.