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PLANNING & COMMUNITY DEVELOPMENT

TO: El Paso County Planning Commission
Brian Risley, Chair

FROM: Kari Parsons, Senior Planner
Kevin Mastin, Interim Executive Director

RE: LDC-22-001
Amendments to the Special District Policies and
Model Service Plans

Commissioner District: All

Planning Commission Hearing Date	10/20/2022
Board of County Commissioners Hearing Date	11/1/2022

EXECUTIVE SUMMARY

A request by the El Paso County Planning and Community Development Department to amend the Special District Policies and Model Service Plans (2007), as referred to in Chapter 9 of the El Paso County Land Development Code (2022) to revise the nomenclature and increase the Operation and Maintenance mill levy from 10 mills to allow up to 15 mills. No increase to the maximum debt mill levy is proposed. The proposed revisions, in their entirety, are listed below.

A. REQUEST

A request by the El Paso County Planning and Community Development Department to amend the Special District Policies and Model Service Plans to include:

Special District Policies



- Making amendments throughout to remove the term “Development Services” and replace with “Planning and Community Development”
- Amending the language throughout in regard to “material modification” to be compliant with State Statute
- Updating the hearing requirements to be compliant with State Statute
- Remove the “Background” section
- Amending the nomenclature to the current Master Plans’ names throughout
- Amending the maximum Operation and Maintenance mill levy from 10 mills to allow up to 15 mills
- Amending the combined Maximum Operational, Debt Service and/or Maximum Combined Mill Levy Caps to allow up to 20 mills from 15
- Remove “generalized Planned Unit Development” throughout
- Amending grammar and organization of the documents throughout.
- Adding language regarding “Concealed Carry Prohibition”
- Adding a new definition “Assessment Rate Adjustment”

Model Service Plans

- Making amendments throughout to remove the term “Development Services” and replace with “Planning and Community Development”
- Making amendments throughout to remove the term “Gallagher Adjustment” and adding a new definition “Assessment Rate Adjustment”
- Amending the maximum Operation and Maintenance mill levy from 10 mills to allow up to 15 mills
- Amending the nomenclature to the current Master Plans’ names throughout
- Amending grammar and organization of the documents throughout
- Adding additional requirements to the exhibits to be included in the model service plans
- Adding language regarding concealed handgun carry under “Other statutory Powers”
- Adding language regarding notice to Colorado Springs City Council and the Town of Monument Board of Trustees regarding “Additional Inclusion Areas”
- Adding language to address impacts to County’s tax revenue under “Development Phasing and Absorption”
- Amending the language throughout in regard to “material modification” to be compliant with State Statute

- Amending the “Annual Report and Disclosure Form” to update the County Offices’ addresses

Staff is also requesting authority to make all other conforming amendments necessary to carry out the intent of the Board of County Commissioners.

B. APPROVAL CRITERIA

The authority to amend the Special District Policies and Model Service Plans’ Procedures (2007) are identified Chapter 2, Administration, Section 2.1.2, *Procedures Manual*, of the El Paso County Land Development Code (2022) below:

“The PCD Director shall establish processes, standards, and procedures to support the efficient review of development applications for conformance with this Code and State statute. The processes, standards, and procedures established by the PCD Director shall be published in a Procedures Manual, and may include detailed submittal requirements, application forms, review procedures including public notice requirements, review policies and guidelines to support the implementation and administration of the LDC. The public notice requirements the Procedures Manual, including the nature, extent, time period, and methods of delivery, shall, at a minimum, conform to the requirements of State Statute. The public notice requirements established by the PCD Director may exceed the minimum requirements of State Statute where determined necessary by the PCD Director to achieve the purposes of this Code.

The Procedures Manual and any amendments thereto shall become effective when approved by the PCD Director; however, the Procedures Manual and any amendments thereto shall be submitted to the Planning Commission and BoCC for review and comment within 30 days of approval by the PCD Director. The Planning Commission and BoCC shall provide comments to the PCD Director within 30 days of receipt of the Procedures Manual or any amendment thereto. The PCD Director shall consider any comments provided by the Planning Commission and BoCC, and may amend the Procedures Manual based on the comments received from the Planning Commission and BoCC. The Planning Commission and BoCC may, but are not required to, endorse the Procedures Manual and any amendments thereto.

The Procedures Manual is a management and administration tool for the PCD. As a result, it is the duty of the PCD Director to develop and maintain the Procedures Manual in a manner that ensures the achievement of organizational and administrative efficiencies, timely processing of development applications, and effective and fair public involvement in the processing and review of development applications and administration of this Code.

A copy of the Procedures Manual shall be on file in the PCD. The Procedures Manual shall control the processing and review of all development applications.”

C. ATTACHMENTS

Proposed Amendments Special District Policies (redline version)

Proposed Amendments Model Service Plan Single District (redline version)

Proposed Amendments Model Service Plan Multiple Districts (redline version)

Proposed Amendments Model Service Plan Master District (redline version)

RESOLUTION NO. ____
EXHIBIT C

**(MULTIPLE DISTRICT WITH CONTROL DISTRICT
MODEL SERVICE PLAN)**

(Note: Parenthetical language is included for explanatory purposes and should be either deleted from the draft plan or replaced with the applicable specific language for the actual Service Plan)

(Insert Name of District)
METROPOLITAN DISTRICT NOS. ____

EL PASO COUNTY, COLORADO

DRAFT
(Insert date)

SERVICE PLAN

FOR

(Insert Name)

METROPOLITAN DISTRICT NOS. _____

Prepared by:

(Insert Name)

(Insert Address)

(Insert Phone and e-mail)

DRAFT (Insert Date)

Applicant(s)

*(Insert full name and contact information for all applicants)
(Include all proposed initial directors if this information available)*

Consultants(s)

(Insert full name and contact information for all consultants directly related to creation and/or anticipated implementation of the Service Plan and not previously listed

- Marketing Consultant
- Engineer
- Underwriter
- Bond Counsel
- Planner
- Etc.

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A. Maps and Legal Descriptions

1. Vicinity Map
2. Initially Included Property Map

3. Proposed Infrastructure Maps

Detention, water and wastewater infrastructure, roadways, parks and open

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34. Additional Included Property Map (if applicable)
45. Extraterritorial Service Area Map
56. Legal Description(s) of Initially Included Property/Properties

B. Development Summary

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I. EXECUTIVE SUMMARY

The following is a summary of general information regarding the proposed District 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: _____ Metropolitan District Nos. __-__
- Property Owner(s): _____ (name only)
- Developer(s): _____ (name only)
- Description of Development: *(Brief Detailed synopsis Description of the location, acreage, land uses, and total proposed dwelling units and/or commercial square footage of the project).*
- Proposed Improvements to be Financed: *(Summarize the types and extent of improvements proposed to be financed)*
- Proposed Ongoing Services: *(Summarize the actual services proposed to be provided by the Districts)*
- Infrastructure Capital Costs: Approximately \$ _____
- Maximum Debt Authorization: \$ _____ (combined for all Districts)
- Proposed Debt Mill Levy: _____ Mills
- Proposed O & M Mill Levy: _____ Mills
- Proposed Special Purpose Mill Levy; _____
- Proposed Maximum Mill Levies: *(Include debt service, operational, special and combined as applicable)*
- Proposed Fees: *(Summarize major proposed fees such as facility fees, tap fees, service fees etc.)*

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 3 and depicted on the map found at Exhibit A.3 that is anticipated for future inclusion into the boundaries of

the Districts, together with other real property located within a 5 mile radius of the combined area described in Exhibit A.3 and A.5 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.

Assessment Rate Adjustment: means, if after approval of this Service Plan, the laws of the State change with respect to the assessment of property for taxation purposes, the method of calculating assessed valuation or any other similar changes occur, an allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy to be determined by the Board in good faith so that to the extent possible, the actual tax revenues generated by the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy or Maximum Special Mill Levy, are neither diminished nor enhanced as a result of such changes.

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.

Control District: means District No. 1, which is intended to include property owned by the organizers of the Districts, and whose Board of Directors is intended to be occupied by representatives of the organizers of the Districts, in order to direct the activities of the Districts to achieve an overall development plan for Public Improvements. References to "District No. 1" shall be deemed to refer to the Control District.

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.

~~Development Services Department—The department of the County formally charged with administering the development regulations of the County.~~

District No. 1: means the (_____) Metropolitan District No. 1 (also known as the Control District) as described in this Service Plan.

~~District No. (repeat for total number of Districts proposed & state purpose of each district): means the (_____) Metropolitan District No. (____).~~

~~District No. (repeat for total number of Districts proposed): means the (_____) Metropolitan District No. (____).~~

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.

Financing Districts: means District Nos. __-__, which are expected to include residential and/or commercial development that will produce the required revenue to fund the Public Improvements and any operations and maintenance costs.

~~Gallagher Adjustment: means 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.~~

Initial District Boundaries: means the initial boundaries of the Districts as described in Section ___ depicted on the map in Exhibit A.2 and as legally described in the legal description found at Exhibit A.5.

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.

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 \$ _____.

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. This Maximum Operational Mill Levy is exclusive of any Maximum Special Mill Levy which might be separately authorized.

Maximum Special Purpose Mill Levy: means maximum ad valorem mill levy which is allowed in addition to the allowable Maximum Debt Service Mill Levy and the Maximum Operational Mill Levy (*E.g. a special earmarked levy for fire protection or covenant enforcement etc. – identify use within definition*)

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.

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 Planned Unit Development (PUD) plans, or subdivision plans.

III. INTRODUCTION

A. Overall Purpose and Intent.

The Districts will be created pursuant to the Special District ~~Act, and Act and~~ are being created with a Control District/Financing 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 necessary and appropriate for the development of a project within the unincorporated County to be known as "_____" (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 will include _____ (*add additional ongoing service and maintenance purposes if applicable*).

District No. 1 is proposed to be the Control District, and is expected to coordinate the financing and construction of all Public Improvements. District Nos. ___ - ___ are proposed to be the Financing Districts, and are expected to include residential and/or commercial development that (under the direction of District No. 1) will produce the required revenue to fund the Public Improvements and any operations and maintenance costs.

(Provide any other key summary information as applicable)

B. Need For The District.

The overall need for creation of the Districts is _____. (*Summarize overall need for the Districts*)(*include justification for number of Financing Districts*). Explain why adjacent districts cannot provide services, provide supporting evidence.

C. County Objectives In Forming The District.

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(s) reasonable access to public tax-exempt financing for reasonable costs associated with the generally identified Public Improvements and to allow the applicant(s) 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. *(Delete if not appropriate- or modify as appropriate)*

(Insert language concerning other major objectives e.g. regional cost sharing, if appropriate)

D. Multiple District Structure.

1. Multiple District Structure. This Service Plan sets forth the general parameters for the working relationship between District No.1 (as the Control District) and the Financing Districts. This structure is intended to provide for the fair and equitable allocation of the costs of the Public Infrastructure and related services within the various development areas of the Project.

District No. 1 is expected to be responsible for managing the construction, acquisition, installation and operation of the Public Improvements. The Financing Districts are expected to 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. 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 either District No. 1 and/or the Financing Districts as appropriate to deliver the improvements and services to the property within the Project.

Due to the interrelationship between the Districts, 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 aesthetic and an 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(s) 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 District No. 1 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, but retained by the Districts as appropriate. Use of District No. 1 to manage these functions will help 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.

E. Specific Purposes -Facilities and Services.

The Districts are authorized to provide the following facilities and services, both within and without the boundaries of the Districts as may be necessary:

(Note: deletion of a category indicates the proposed districts will not be authorized to provide that particular facility or service. For most Service Plans it is preferred that all purpose headings be listed along with text indicating the general extent to which the Districts are expected to be engaged in the particular purpose. For all listed services/purposes, please specify whether it is anticipated that the facility or service is actively expected to be financed or provided with the initial formation of the districts or whether the purpose is being reserved for potential future use.)

Water. *(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the district, any major off-site improvements anticipated to be financed, the extent to which this service will or will*

not be provided on an ongoing basis by the District, and any unique clarifications as to purposes, all as applicable.)

(For those districts that are authorized to directly provide water services, please provide the following language:)

The District (does/ does not) intend to join the Pikes Peak Water Authority following formation.

2. Sanitation. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)

3. Street Improvements, Transportation and Safety Protection. ((Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.))

4. Drainage. ((Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.))

5. Parks and Recreation. (.) Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)

The District 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 and the _____, (Include other pre-existing district authorized to provide park and recreation services, if applicable). The District 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 major modification which would require the need to revise this Service Plan.

(Include the above statement if applicable and appropriate)

6. Mosquito Control. Provide 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, include this language for all

districts unless there is a specific reason and justification not to)

7. Fire Protection. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable, but noting direct provision of fire protection services will be precluded in most cases)

8. Television Relay and Translation. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

9. Covenant Enforcement and Design Review. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

(Address representation issues in connection with Control District structure)

10. Security Services. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

11. Solid Waste Disposal. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

~~4. Water. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)~~

(For those districts that are authorized to directly provide water services, please provide the following language:)

~~The Districts (do/ do not) intend to join the El Paso County Water Authority following formation.~~

~~2. Sanitation. (Same as above)~~

~~3. Street Improvements, Transportation and Safety Protection. (Same as above)~~

~~4. Drainage. (Same as above)~~

~~5. Parks and Recreation. (Same as above)~~

~~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 and the _____ (Include other pre-existing districts authorized to provide park and recreation services, if applicable). 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.~~

~~(Include the above statement if applicable and appropriate)~~

~~6. Mosquito Control. Provide 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. Include this language for all districts unless there is a specific reason and justification not to)~~

~~7. Fire Protection. (same as above, but noting direct provision of fire protection services will be precluded in most cases)~~

~~8. Television Relay and Translation. (Same as above).~~

~~9. Covenant Enforcement and Design Review. (Same as above).
(Address representation issues in connection with Control District structure)~~

~~10. Security Services. (Same as above).~~

~~11. Solid Waste Disposal. (Same as above).~~

E. 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.;

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.

F. 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.

~~The District shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.~~

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G. Eminent Domain.

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

The power of eminent domain and/or dominant 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.

(Delete the prior paragraphs, and replace with a pre-emption of eminent domain powers in the event the Service Plan does not authorize the use of eminent domain)

H. 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, the following IGAs are anticipated *(complete as appropriate or delete if none presently planned)*.

I. 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 at Exhibit A.2, with a legal description of boundaries found at Exhibit A.5.

2. Additional Inclusion Areas/Boundary Adjustments. ~~Additional inclusion areas~~

~~(are/are not) anticipated in addition to the initially included properties. Additional inclusion areas (are/are not) anticipated in addition to the initially included properties. These additional inclusion areas are found at Exhibit A.3 (describe any anticipated future inclusions, and delete this sentence if not applicable). The District shall be authorized to include territory within the Additional Inclusion Area 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 District may be adjusted via the inclusion or exclusion within the combined area of the Initial District Boundaries and the Additional Inclusion Areas in accordance with the applicable provisions of the Special District Act.~~

~~Notwithstanding the foregoing, the Districts are prohibited from including additional property within the District's 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 City Council.~~

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~~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 Town of Monument without express prior consent of the Town of Monument Board of Trustees.~~

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~~These additional inclusion areas are found at Exhibit A.3 (describe any anticipated future inclusions, and delete this sentence if not applicable). The Districts shall be authorized to include territory within the Additional Inclusion Area 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 and the Additional Inclusion Areas in accordance with the applicable provisions of the Special District Act.~~

3. Extraterritorial Service Areas. The Districts (do/do not) anticipate providing services to areas outside of the Initial District Boundaries and Additional Inclusion Areas. These areas are depicted at Exhibit A.4. *(Describe any potential service areas as applicable; delete the prior sentence if there is no intent to provide extraterritorial service) (In the event the option of providing external services is an undetermined potential, reserve that option here)*

4. Analysis Of Alternatives. *(Provide justification for creating this number of new metropolitan districts which specifically includes consideration of any practical alternatives for inclusion in one or more existing districts and/or reliance on private financing and/or other reasonable alternatives as may be available. Also include a justification of the need for a control district arrangement).*

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-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. Issuance of any Debt with a maturity period of greater than thirty (30) years, from the date of issuance of such Debt.

f. Creation of any sub-districts as contemplated in the Special District Act. *(Remove if separate discussion of planned sub-districts is included in Service Plan)*

g. Inclusion into any District of any property over five (5) miles from the combined area of the Initial District Boundaries and the property described in Exhibit A.3 unless explicitly contemplated in this Service Plan.

i. *(Other limits as may be stipulated to by the applicant and/or required by the Board of County Commissioners).*

IV. DEVELOPMENT ANALYSIS

A. Existing Developed Conditions.

(Briefly Describe describe the existing developed conditions within the proposed Initial District Boundary, Additional Inclusion Area and proposed additional service area as applicable)

B. Total Development At Project Buildout.

At complete Project build-out, development within the Districts is planned to consist of _____ *(describe in terms of total number of dwelling units, by type if applicable and include projected square footage of non-residential development)* the prices of homes in the project are expected to average between \$____ and \$____ in year 20__ dollars. The total estimated population of the Districts upon completion of development is _____.

C. Development Phasing And Absorption.

Absorption of the project is projected to take ____ years, beginning in ____ (year) and ending in ____ (year) and is further described in the Development Summary Table found at Exhibit B.

~~_____“The proposed metro district would assess a _____ mill levy on assessed properties in the district from 20____-20____. Over the _____ (life of the mill levy) years, the effect of collecting property taxes for the district will decrease El Paso County’s Specific Ownership Taxes (SOT) by an average of \$ _____ a year. In year 1 (_____), EPC collections will be reduced by approximately \$ _____ and growing to \$ _____ at completion of the project in _____ (year 14). During the same time period, El Paso County’s property taxes are expected to grow approximately \$ _____ in 20____ to \$ _____ in year 14. Over the _____ year course of the project, we estimate total SOT collections will be reduced by \$ _____ while property tax collections should increase by \$ _____.”~~

D. Status of Underlying Land Use Approvals.

(Summarize the status of underlying land use approvals; e.g. Sketch Plan and/or zoning and/or subdivision approvals and relationship of current or anticipated approvals to this Service Plan)

(Provide unique justification for creation of district in advance of underlying land use approvals, if applicable)

V. INFRASTRUCTURE SUMMARY

Attached as Exhibit C is summary of the estimated costs of Public Improvements which are anticipated to be required within these Districts. 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 \$ _____, in year 20____ dollars. It is estimated that the will finance approximately \$ _____ (or ____%) of this estimated amount, 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 National Pollutant Discharge Elimination System 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. 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 \$_____ million in principal amount (total combined for all Districts). *(Briefly justify the stated debt limit amount).*

C. Maximum Mill Levies.

1. **Maximum Debt Service Mill Levy.** The Maximum Debt Service Mill Levy shall be fifty (50) mills. ~~subject to Gallagher Adjustment.~~ All Debt issued by the Districts must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

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 Special Purpose Mill Levy.** The Maximum Special Purpose Mill Levy for each District is __ () Mills. ~~subject to Gallagher Adjustment.~~

4. **Maximum Combined Mill Levy.** The Maximum Combined Mill Levy for each District is __ 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.

E. Developer Funding Agreements.

The Developer (does/does not) 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.

(Describe any intended agreements including reimbursement agreements; include the following language if applicable)

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 material Modification—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.) 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 ____ mill levies are as follows:

El Paso County
El Paso County Road and Bridge
School District ____
Pikes Peak Library District (if applicable)
____ Fire Protection District
(Others, as applicable)

Total Existing Mill Levy:

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

Anticipated relationships and impacts to these entities ____ (discuss any applicable impacts, service overlaps or interrelationships).

B. Neighboring Jurisdictions.

The following additional taxing and or service providing entities include territory within three (s) miles of the Initial District Boundaries. (Add list)

Anticipated relationships and impacts to these entities ____ (discuss any applicable impacts, service overlaps or interrelationships).

VIII. DISSOLUTION

A. 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.

B. 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.

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) and as further articulated by Board of County Commissioners Resolution No. Resolution 06-472, as may be amended.

~~An Annual Report and Disclosure Form will be required and submitted as described in C.R.S. 32-1-207(3)(d) and as further articulated by Board of County Commissioners Resolution No. 07-273 (a single report may be issued for all the Districts).~~

B. Material ~~Modifications-modifications~~ of this Service Plan shall be subject to the provisions contained in Section 32-1-207, C.R.S., relating 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 ~~Development Services-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~~ ~~the Development Services~~ 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. Additionally, the notice shall disclose the limited representation elements associated with the Control District/Financing District structure. In conjunction with subsequent plat recordings, ~~the Planning and Community Development~~ ~~Development Services~~ 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.

F. Citizens Advisory Council. *[Delete the following phrase in parenthesis if CAC is not required as part of initial Service Plan approval]* (If required at a subsequent date by the Board of County Commissioners,) [T][t]he Districts shall cooperate with the County in the formation of a Citizens' Advisory Council appointed by the Board of County Commissioners consisting of five (5) property owners within the legal boundaries of the Financing Districts. Council membership shall be open to otherwise eligible electors of any of the Financing Districts. Meetings will be held at times and in locations convenient to the Council members, and such meetings and the Council's functions shall be supported by the Service Districts, subject to applicable law. If required by the Board of County Commissioners, the Chair of the Council will be appointed as a voting member of the Board of District No. 1. Formation of a Council shall not be authorized until there are at least one hundred (100) dwelling units constructed within the Financing Districts. Continuance of the Council shall be at the sole discretion of the Board of County Commissioners, and 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.

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 with applicable elements of the El Paso County Master Plan, including but not limited to Your El Paso Master Plan (2021), the El Paso County Water Master Plan (2018), the El Paso County Parks Master Plan (2013), the El Paso County Major Transportation Corridors Plan, and with these Special District Policies, County-master plan.

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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

EXHIBIT B

DEVELOPMENT SUMMARY

Include applicable narrative or tabular summary of projected development by type, including number of units of residential, commercial/retail square footage and expected absorption.

A descriptive synopsis of the location, land uses, acreage and total proposed dwelling units and/or commercial square footage of the project).

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).

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, Special Purpose 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)

EXHIBIT E

ANNUAL REPORT AND DISCLOSURE FORM
(Sample attached)

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

1.	Name of District(s):	
2.	Report for Calendar Year:	
3.	Contact Information	
4.	Meeting Information	
5.	Type of District(s)/ Unique Representational Issues (if any)	
6.	Authorized Purposes of the District(s)	
7.	Active Purposes of the District(s)	
8.	Current Certified Mill Levies a. Debt Service b. Operational c. Other d. Total	
9.	Sample Calculation of Current Mill Levy for a Residential and Commercial Property (as applicable).	
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. Other d. Total	
11.	Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as applicable).	
12.	Current Outstanding Debt of the Districts (as of the end of year of this report)	
13.	Total voter-authorized debt of the Districts (including current debt)	
14.	Debt proposed to be issued, reissued or otherwise obligated in the coming year.	
15.	Major facilities/ infrastructure improvements	

	initiated or completed in the prior year	
16.	Summary of major property exclusion or inclusion activities in the past year.	

Reminder:

A. As per Colorado Revised Statutes, Section 32-1-306, 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.

~~B. Colorado Revised Statutes, Section 32-1-823(1), states a certificate of election results shall be filed with the County Clerk and Recorder.~~

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
1675 W. Garden of the Gods Road, Suite 2201,
Colorado Springs, CO 80907

~~**NOTE: As per CRS Section 32-1-104(2), a copy of this report should also be submitted to:~~

~~County Assessor - 1675 W. Garden of the Gods Road, Suite 2300, Colorado Springs, CO 80907~~

~~County Treasurer - 1675 W. Garden of the Gods Road, Suite 2100, Colorado Springs, CO 80907~~

~~200 South Cascade Avenue
 Colorado Springs, Colorado 80903~~

~~**NOTE: As per CRS Section 32-1-104(2), a copy of this report should also be submitted to:~~

~~County Assessor - 27 East Vermijo, Colorado Springs, Colorado 80903~~

~~County Treasurer - 27 East Vermijo, Colorado Springs, Colorado 80903~~

RESOLUTION NO. ~~07-273~~
EXHIBIT B

**(MULTIPLE DISTRICT WITHOUT CONTROL DISTRICT
MODEL SERVICE PLAN)**

(Note: Parenthetical language is included for explanatory purposes and should be either deleted from the draft plan or replaced with the applicable specific language for the actual Service Plan)

(Insert Name of District)
METROPOLITAN DISTRICT NOS. _____

EL PASO COUNTY, COLORADO

DRAFT
(Insert date)

SERVICE PLAN

FOR

(Insert Name)

METROPOLITAN DISTRICT NOS. _____

Prepared by:

(Insert Name)

(Insert Address)

(Insert Phone and e-mail)

DRAFT (Insert Date)

Applicant(s)

*(Insert full name and contact information for all applicants)
(Include all proposed initial directors if this information available)*

Consultants(s)

(Insert full name and contact information for all consultants directly related to creation and/or anticipated implementation of the Service Plan and not previously listed

- Marketing Consultant
- Engineer
- Underwriter
- Bond Counsel
- Planner
- Etc.

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EXHIBITS (refer to instructions)

A. Maps and Legal Descriptions

1. Vicinity Map
2. Initially Included Property Map
3. Proposed Infrastructure and Amenities Maps

Detention, water and wastewater infrastructure, roadways, parks and open

space,

34. Additional Included Property Map (if applicable)
45. Extraterritorial Service Area Map
56. Legal Description(s) of Initially Included Property/Properties

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: _____ Metropolitan District Nos. __ - __
- Property Owner(s): _____ (name only)
- Developer(s): _____ (name only)
- Description of Development: *(~~Brief synopsis~~ Description of the location, land uses, acreage and total proposed dwelling units and/or commercial square footage of the project).*
- Proposed Improvements to be Financed: _____ *(Summarize the types and extent of improvements proposed to be financed)*
- Proposed Ongoing Services: *(Summarize the actual services proposed to be provided by the Districts)*
- Infrastructure Capital Costs: Approximately \$ _____
- Maximum Debt Authorization: \$ _____ (combined for all Districts)
- Proposed Debt Mill Levy: _____ Mills
- Proposed O & M Mill Levy: _____ Mills
- Proposed Special Purpose Mill Levy; _____
- Proposed Maximum Mill Levies: *(Include debt service, operational, special and combined as applicable)*
- Proposed Fees: *(Summarize major proposed fees such as facility fees, tap fees, service fees etc.)*

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 3 and depicted on the map found at Exhibit A.3 that is anticipated for future inclusion into the boundaries of the Districts, together with other real property located within a 5-mile radius of the combined area described in Exhibit A.3 and A.5 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.

Assessment Rate Adjustment: means, if after approval of this Service Plan, the laws of the State change with respect to the assessment of property for taxation purposes, the method of calculating assessed valuation or any other similar changes occur, an allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy to be determined by the Board in good faith so that to the extent possible, the actual tax revenues generated by the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy or Maximum Special Mill Levy, are neither diminished nor enhanced as a result of such changes.

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.

~~Development Services Department—The department of the County formally charged with administering the development regulations of the County.~~

District No. ___ (repeat for *total number of each* Districts proposed & stated purposes of *each district*): means the (_____) Metropolitan District No. (___).

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 Districts 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, 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.~~

Initial District Boundaries: means the initial boundaries of the Districts as described in Section ___ depicted on the map in Exhibit A.2 and as legally described in the legal description found at Exhibit A.5.

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.

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 \$ _____.

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. This Maximum Operational Mill Levy is exclusive of any Maximum Special Mill Levy which might be separately authorized.

Maximum Special Purpose Mill Levy: means maximum ad valorem mill levy which is allowed in addition to the allowable Maximum Debt Service Mill Levy and the Maximum Operational Mill Levy (*E.g. a special earmarked levy for fire protection or covenant enforcement etc. – identify use within definition*)

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.

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 Planned Unit Development (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 necessary and appropriate for the development of a project within the unincorporated County to be known as “_____” (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 will include _____ *(add additional ongoing service and maintenance purposes if applicable)*.

(Provide any other key summary information as applicable)

B. Need For The Districts.

The overall need for creation of the Districts is _____. *(Summarize overall need for the Districts. Explain why adjacent districts cannot provide services, provide supporting evidence.)*

C. County Objectives In Forming The Districts.

The County recognizes the Districts as independent quasi-municipal entities which is 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(s) reasonable access to public tax-exempt financing for reasonable costs associated with the generally identified Public Improvements and to allow the applicant(s) 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. *(Delete if not appropriate- or modify as appropriate)*

(Insert language concerning other major objectives e.g. regional cost sharing, if appropriate)

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 well as to promote equitable allocation of costs among properties 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 relationship 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 aesthetic and an 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(s) 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 financed and 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.

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, but retained by the Districts as appropriate. Intergovernmental agreements will help 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.

E. Specific Purposes -Facilities and Services.

The Districts are authorized to provide the following facilities and services, both within and without the boundaries of the Districts as may be necessary:

(Note: deletion of a category indicates the proposed district will not be authorized to provide that particular facility or service. For most Service Plans it is preferred that all purpose headings be listed along with text indicating the general extent to which the district is expected to be engaged in the particular purpose. For all listed services/purposes, please specify whether it is anticipated that the facility or service is actively expected to be financed or provided with the initial formation of the district or whether the purpose is being reserved for potential future use.)

1. Water. *(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, or by another provider via Intergovernmental Agreement (IGA), and any unique clarifications as to purposes, all as applicable.)*

(For those districts that are authorized to directly provide water services, please provide the following language:)

The Districts (do/ do not) intend to join the ~~El Paso County~~Pikes Peak Regional Water Authority following formation.

2. SANITATION. ~~(SAME AS ABOVE~~*(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts OR BY ANOTHER PROVIDER VIA INTERGOVERNMENTAL AGREEMENT (IGA), and any unique clarifications as to purposes, all as applicable.)*~~)+~~

3. Street Improvements, Transportation and Safety Protection. *Describe the general extent of improvements to be financed, whether these improvements are intended to be*

dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)~~Same as above)~~

4. DRAINAGE. ~~(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)~~Same as above)

5. PARKS AND RECREATION. ~~(.)Same as above)~~~~(Describe the general extent of improvements to be financed, whether improvements or land are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)~~

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 and the _____. *(Include other pre-existing district authorized to provide park and recreation services, if applicable).* 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.

(Include the above statement if applicable and appropriate)

6. Mosquito Control. Provide 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. *(Include this language for all districts unless there is a specific reason and justification not to).*

7. Fire Protection. *(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable)*~~same as above~~, but noting direct provision of fire protection services will be precluded in most cases).

8. Television Relay and Translation. *(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another*

entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable Same as above).

9. Covenant Enforcement and Design Review. *(Describe the general extent of*

improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable~~Same as above~~.

(Address representation issues in connection with Control District structure)

10. Security Services. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable~~Same as above~~).

11. Solid Waste Disposal. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable~~Same as above~~).

EF. 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. (See material modification).;

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.

FG. 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.

~~The Districts shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.~~

HG. Eminent Domain.

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

The power of eminent domain and/or dominant eminent domain shall be limited to

the acquisition of property that the applicable Districts intends to own, control or maintain by the applicable 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.

(Delete the prior paragraphs, and replace with a pre-emption of eminent domain powers in the event the Service Plan does not authorize the use of eminent domain)

III. 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, the following IGAs are anticipated *(complete as appropriate or delete if none presently planned)*.

II. 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 at Exhibit A.2, with a legal description of boundaries found at Exhibit A.5.

2. Additional Inclusion Areas/Boundary Adjustments. Additional inclusion areas (are/are not) anticipated in addition to the initially included properties. These additional inclusion areas are found at Exhibit A.3 *(describe any anticipated future inclusion and delete this sentence if not applicable)*. The Districts shall be authorized to include territory within the Additional Inclusion Area 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 and the Additional Inclusion Areas in accordance with the applicable provisions of the Special District Act.

NOTWITHSTANDING THE FOREGOING, THE DISTRICTS ARE PROHIBITED FROM INCLUDING ADDITIONAL PROPERTY WITHIN THE DISTRICT’S 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 CITY COUNCIL.

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 TOWN OF MONUMENT WITHOUT EXPRESS PRIOR CONSENT OF THE TOWN OF MONUMENT BOARD OF TRUSTEES.

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

areas are depicted at Exhibit A.4. *(Describe any potential service areas as applicable; delete the prior sentence if there is no intent to provide extraterritorial service) (In the event the option of providing external services is an undetermined potential, reserve that option here)*

4. Analysis Of Alternatives. *(Provide justification for creating this number of new metropolitan districts which specifically includes consideration of any practical alternatives for inclusion in one or more existing districts and/or reliance on private financing and/or other reasonable alternatives as may be available).*

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. Issuance of any Debt with a maturity period of greater than thirty (30) years, from the date of issuance of such Debt.

f. Creation of any sub-districts as contemplated in the Special District Act. *(Remove if separate discussion of planned sub-districts is included in Service Plan)*

g. Inclusion into any District of any property over five (5) miles from the combined area of the Initial District Boundaries and the property described in Exhibit A.3 unless explicitly contemplated in this Service Plan.

h. *(Other limits as may be stipulated to by the applicant and/or required by the Board of County Commissioners).*

IV. DEVELOPMENT ANALYSIS

A. Existing Developed Conditions.

| _____ *(Briefly ~~A~~ describe the existing developed conditions within the*

proposed Initial District Boundaries, Additional Inclusion Areas and proposed additional service area as applicable).

B. Total Development At Project Buildout.

At complete Project build-out, development within the Districts is planned to consist of _____ (describe in terms of total number of dwelling units, by type if applicable and include projected square footage of non- residential development) -the prices of homes in the project are expected to average between \$____ and \$____ in year 20__ _dollars. The total estimated population of the Districts upon completion of development is _____.

C. Development Phasing And Absorption.

Absorption of the project is projected to take ____ years, beginning in ____ (year) and ending in ____ (year) and is further described in the Development Summary Table found at Exhibit B.

“The proposed special district would assess a ____ mill levy on assessed properties in the district from 20__ -20__ . Over the ____ (life of the mill levy) years, the effect of collecting property taxes for the district will decrease El Paso County’s Specific Ownership Taxes (SOT) by an average of \$____ a year. In year 1 (____), EPC collections will be reduced by approximately \$____ and growing to \$____ at completion of the project in ____ (year __14). During the same time period, El Paso County’s property taxes are expected to grow approximately \$____ in 20__ to \$____ in year __14. Over the ____-year course of the project, we estimate total SOT collections will be reduced by \$____ while property tax collections should increase by \$____.

D. Status of Underlying Land Use Approvals.

(Summarize the status of underlying land use approvals; e.g. Sketch Plan and/or zoning and/or subdivision approvals and relationship of current or anticipated approvals to this Service Plan)

(Provide unique justification for creation of the districts -in advance of underlying land use approvals, if applicable)

V. **INFRASTRUCTURE SUMMARY**

Attached as Exhibit C is summary of the estimated costs of Public Improvements which are anticipated to be required within the Districts. 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 are estimated to be approximately \$____, in year 20__ dollars. It is estimated that the Districts will finance approximately \$____ (or __%) of this estimated amount, 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 National Pollutant Discharge Elimination System 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 \$_____ million in principal amount (total combined for all Districts). (*Briefly justify the stated debt limit amount.*)

C. Maximum Mill Levies.

1. Maximum Debt Service Mill Levy. The Maximum Debt Service Mill Levy shall be fifty (50) mills, ~~subject to Gallagher Adjustment.~~ All Debt issued by the Districts must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

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 Special Purpose Mill Levy. The Maximum Special Purpose Mill Levy for each District is __ () Mills, ~~subject to Gallagher Adjustment.~~

4. Maximum Combined Mill Levy. The Maximum Combined Mill Levy for each District is __ 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).~~

Commented [KP1]: Conflicts with Material Modification so delete

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.

E. Developer Funding Agreements.

The Developer (does/does not) 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.

(Describe any intended agreements including reimbursement agreements; include the following language if applicable)

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 material Modification~~ 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.) 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 ____ mill levies are as follows:

El Paso County
El Paso County Road and Bridge
School District ____
Pikes Peak Library District (if applicable)
____ Fire Protection District
(Others, as applicable)

Total Existing Mill Levy:

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

Anticipated relationships and impacts to these entities ____ *(discuss any applicable impacts, service overlaps or interrelationships).*

B. Neighboring Jurisdictions.

The following additional taxing and or service providing entities include territory within three (s3) miles of the Initial District Boundaries. *(Add list)*

Anticipated relationships and impacts to these entities ____ *(discuss any applicable*

impacts, service overlaps or interrelationships).

VIII. DISSOLUTION

A. 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.

B. 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.

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) and as further articulated by Board of County Commissioners Resolution No. 06-472, as may be amended 07-273 (a single report may be issued for all the Districts).

B. Material ~~Modification~~Modifications of this Service Plan shall be subject to the provisions contained in Section 32-1-207, C.R.S., relating 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 ~~Development Services~~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 ~~Development Services~~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~~~~Development Services~~ 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 for consistency with applicable~~ elements of the El Paso County Master Plan, including but not limited to Your El Paso Master Plan (2021), the El Paso County Water Master Plan (2018), the El Paso County Parks Master Plan (2013), the El Paso County Major Transportation Corridors Plan, and with these Special District Policies.
~~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

EXHIBIT B

DEVELOPMENT SUMMARY

Include applicable narrative or tabular summary of projected development by type, including number of units of residential, commercial/retail square footage and expected absorption.

Include a descriptive synopsis of the location, land uses, acreage and total proposed dwelling units and/or commercial square footage of the project.

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).

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, Special Purpose 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)

EXHIBIT E

ANNUAL REPORT AND DISCLOSURE FORM
(Sample attached)

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

1.	Name of District(s):	
2.	Report for Calendar Year:	
3.	Contact Information	
4.	Meeting Information	
5.	Type of District(s)/ Unique Representational Issues (if any)	
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16.	Summary of major property exclusion or inclusion activities in the past year.	
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Reminder:

- A. As per Colorado Revised Statutes, Section 32-1-306, 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.
- ~~B. Colorado Revised Statutes, Section 32-1-823 (1), states a certificate of election results shall be filed with the County Clerk and Recorder.~~

Commented [KP2]: Statute does not exist
Commented [KP3R3]: Ask Russ Dystrka ; Dola

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
1675 W. Garden of the Gods Road, Suite 2201,
Colorado Springs, CO 80907~~200 South Cascade Avenue~~
~~Colorado Springs, Colorado -80903~~

****NOTE:** As per CRS Section 32-1-104(2), a copy of this report should also be submitted to:

~~County Assessor - 27 East Vermijo,~~ 1675 W. Garden of the Gods Road, Suite 2300, Colorado Springs,
CO 80907~~Colorado Springs, Colorado -80903~~

~~County Treasurer - 27 East Vermijo, Colorado Springs, Colorado -80903~~ 1675 W. Garden of the Gods
Road, Suite 2100, Colorado Springs, CO 80907

**RESOLUTION NO.
EXHIBIT A**

(SINGLE DISTRICT MODEL SERVICE PLAN)

(Note: Parenthetical language is included for explanatory purposes and should be either deleted from the draft plan or replaced with the applicable specific language for the actual Service Plan)

**(Insert Name of District)
METROPOLITAN DISTRICT**

EL PASO COUNTY, COLORADO

**DRAFT
(Insert date)**

SERVICE PLAN
FOR
(Insert Name)
METROPOLITAN DISTRICT

Prepared by:

(Insert Name)
(Insert Address)
(Insert Phone and e-mail)

DRAFT (Insert Date)

Applicant(s)

*(Insert full name and contact information for all applicants)
(Include all proposed initial directors if this information available)*

Consultants(s)

(Insert full name and contact information for all consultants directly related to creation and/or anticipated implementation of the Service Plan and not previously listed

- Marketing Consultant
- Engineer
- Underwriter
- Bond Counsel
- Planner
- Etc.

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A. Maps and Legal Descriptions

1. Vicinity Map
2. Initially Included Property Map
3. Proposed Infrastructure Maps

Detention, water and wastewater infrastructure, roadways, parks and open

space.

- ~~34.~~ Additional Included Property Map (if applicable)

- ~~45.~~ Extraterritorial Service Area Map

- ~~5-6~~ Legal Description(s) of Initially Included Property/Properties

B. Development Summary

C. Infrastructure Capital Costs

D. Financial Plan Summary

E. Annual Report and Disclosure Form

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I. EXECUTIVE SUMMARY

The following is a summary of general information regarding the proposed District 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 District: _____ Metropolitan District (the “District”).
- Property Owner(s): _____ (name only)
- Developer(s): _____ (name only)
- Description of Development: *(~~Brief synopsis~~ **Description** of the location, acreage, land uses, and total proposed dwelling units and/or commercial square footage of the project).*
- Proposed Improvements to be Financed: *(Summarize the types and extent of improvements proposed to be financed)*
- Proposed Ongoing Services: *(Summarize the actual services proposed to be provided by the District)*
- Infrastructure Capital Costs: Approximately \$ _____
- Maximum Debt Authorization: \$ _____
- Proposed Debt Mill Levy: _____ Mills
- Proposed O & M Mill Levy: _____ Mills
- Proposed Special Purpose Mill Levy; _____
- Proposed Maximum Mill Levies: *(Include debt service, operational, special and combined as applicable)*
- Proposed Fees: *(Summarize major proposed fees such as facility fees, tap fees, service fees etc.)*

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 3 and depicted on the map found at Exhibit A.3 that is anticipated for future inclusion into the boundaries of the District.

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.

Assessment Rate Adjustment: means, if after approval of this Service Plan, the laws of the State change with respect to the assessment of property for taxation purposes, the method of calculating assessed valuation or any other similar changes occur, an allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy to be determined by the Board in good faith so that to the extent possible, the actual tax revenues generated by the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy or Maximum Special Mill Levy, are neither diminished nor enhanced as a result of such changes.

Board: means the board of directors of the District.

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 District has promised to impose an *ad valorem* property tax mill levy without such promise being subject to annual appropriation.

Developer Funding Agreement: means 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.

~~Development Services Department: means the department of the County formally charged with administering the development regulations of the County.~~

~~District: means the () Metropolitan District as described in this Service Plan.~~

~~District No. (repeat for total number of Districts proposed & state purpose of each district): means the () Metropolitan District No. ().~~

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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 and 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, 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 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 District’s organizational election is held.~~

Initial District Boundaries: means the initial boundaries of the District as described in Section ___ depicted on the map in Exhibit A.2 and as legally described in the legal description found at Exhibit A.5.

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.

Maximum Combined Mill Levy: means the maximum combined ad valorem mill levy the

District may certify against any property within the District for any purposes.

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

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

Maximum Operational Mill Levy: means the maximum ad valorem mill levy the District may certify against any property within the District for the purposes providing revenues for ongoing operation, maintenance, administration or any other allowable services and activities other than the servicing of Debt. This Maximum Operational Mill Levy is exclusive of any Maximum Special Mill Levy which might be separately authorized.

Maximum Special Purpose Mill Levy: means the maximum ad valorem mill levy which is allowed in addition to the allowable Maximum Debt Service Mill Levy and the Maximum Operational Mill Levy (*E.g. a special earmarked levy for fire protection or covenant enforcement etc. – identify use within definition*)

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

Public Improvements: means those improvements constituting Regional Public Improvements and Local Public Improvements collectively.

Regional 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, 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 District.

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 District 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 Planned Unit Development (PUD) plans, or subdivision plans.

III. INTRODUCTION

A. Overall Purpose and Intent.

The District will be created pursuant to the Special District ~~Act, and~~ Act and is being organized as a Conventional Representative District under El Paso County policies. The District is an independent unit 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, its 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 District, in its discretion, will provide a part or all of various Public Improvements necessary and appropriate for the development of a project within the unincorporated County to be known as “ _____ ” (the “Project”). The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants, property owners and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. Additional major purposes will include _____ *(add additional ongoing service and maintenance purposes if applicable).*

(Provide any other key summary information as applicable)

B. Need For The District.

The overall need for creation of this District is _____. *(Summarize overall need for the District. Explain why adjacent districts cannot provide services, provide supporting evidence.)*

C. County Objectives In Forming The District.

The County recognizes this District as an independent quasi-municipal entity which is duly authorized for the purposes and functions identified in the Service Plan. Future County involvement in the affairs of the District 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 District and the County in the future.

In approving this Service Plan the objectives of the County include an intent to allow the applicant(s) reasonable access to public tax-exempt financing for reasonable costs associated with the generally identified Public Improvements and to allow the applicant(s) 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 this District.

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

districts. *(Delete if not appropriate- or modify as appropriate)*

(Insert language concerning other major objectives e.g. regional cost sharing, if appropriate)

In approving this District as a Conventional Representative District, 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 District.

D. Specific Purposes -Facilities and Services.

The District is authorized to provide the following facilities and services, both within and without the boundaries of the District as may be necessary:

(Note: deletion of a category indicates the proposed district will not be authorized to provide that particular facility or service. For most Service Plans it is preferred that all purpose headings be listed along with text indicating the general extent to which the district is expected to be engaged in the particular purpose. For all listed services/purposes, please specify whether it is anticipated that the facility or service is actively expected to be financed or provided with the initial formation of the district or whether the purpose is being reserved for potential future use.)

1. Water. *(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the district, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the District, and any unique clarifications as to purposes, all as applicable.)*

(For those districts that are authorized to directly provide water services, please provide the following language:)

The District (does/ does not) intend to join the ~~El Paso County~~ Pikes Peak Water Authority following formation.

2. Sanitation. *(Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)*

3. Street Improvements, Transportation and Safety Protection. *((Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.))*

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4. Drainage. ((Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.))

5. Parks and Recreation. (.) Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable.)

Sanitation. (Same as above)

~~3. Street Improvements, Transportation and Safety Protection. (Same as above)~~

~~4. Drainage. (Same as above)~~

~~5. Parks and Recreation. (Same as above)~~

The District 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 and the _____. *(Include other pre-existing district authorized to provide park and recreation services, if applicable).* The District 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 major modification which would require the need to revise this Service Plan.

(Include the above statement if applicable and appropriate)

6. Mosquito Control. Provide 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. *include this language for all districts unless there is a specific reason and justification not to)*

7. Fire Protection. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable, but noting direct provision of fire protection services will be precluded in most cases)

8. Television Relay and Translation. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another

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entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

9. Covenant Enforcement and Design Review. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

(Address representation issues in connection with Control District structure)

10. Security Services. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

11. Solid Waste Disposal. (Describe the general extent of improvements to be financed, whether these improvements are intended to be dedicated to another entity or maintained by the districts, any major off-site improvements anticipated to be financed, the extent to which this service will or will not be provided on an ongoing basis by the districts, and any unique clarifications as to purposes, all as applicable).

Fire Protection. (same as above, but noting direct provision of fire protection services will be precluded in most cases)

~~8. TELEVISION RELAY AND TRANSLATION. (SAME AS ABOVE).~~

~~9. Covenant Enforcement and Design Review. (Same as above).~~

~~10. Security Services. (Same as above).~~

~~11. Solid Waste Disposal. (Same as above).~~

E. Other Powers.

1. Amendments. The District 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.;

2. Authority to Modify Implementation of Financing Plan and Public Infrastructure. Without amending this Service Plan, the District 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 District.

F. Other Statutory Powers.

The District 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.

The District shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.

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G. Eminent Domain.

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.

(Delete the prior paragraphs, and replace with a pre-emption of eminent domain powers in the event the Service Plan does not authorize the use of eminent domain)

H. Intergovernmental Agreements (IGAs).

The District is authorized to enter into IGAs to the extent permissible by law. As of the date of approval of this Service Plan, the following IGAs are anticipated *(complete as appropriate or delete if none presently planned)*.

I. Description Of Proposed Boundaries And Service Area.

1. Initial District Boundaries. A vicinity map showing the general location of the District is included as Exhibit A.1. A map of the initially included properties is included at Exhibit A.2, with a legal description of its boundaries are found at Exhibit A.5.

2. Additional Inclusion Areas. Additional inclusion areas (are/are not) anticipated in addition to the initially included properties. These additional inclusion areas are found at Exhibit A.3 (describe any anticipated future inclusions, and delete this sentence if not

applicable). The District shall be authorized to include territory within the Additional Inclusion Area 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 District may be adjusted via the inclusion or exclusion within the combined area of the Initial District Boundaries and the Additional Inclusion Areas in accordance with the applicable provisions of the Special District Act.

Notwithstanding the foregoing, the District is prohibited from including additional property within the District's 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 City Council.

Notwithstanding the foregoing, the District is prohibited from including additional property within the Districts' boundaries if the property is within the corporate limits of the Town of Monument without express prior consent of the Town of Monument Board of Trustees.

~~additional inclusion areas (are/are not) anticipated in addition to the initially included properties. These additional inclusion areas are found at Exhibit A.3 (describe any anticipated future inclusions, and delete this sentence if not applicable). The District shall be authorized to include territory within the Additional Inclusion Area in accordance with applicable provisions of the Special District Act.~~

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3. Extraterritorial Service Areas. The District (does/does not) anticipate providing services to areas outside of the Initial District Boundaries and Additional Inclusion Areas. These areas are depicted at Exhibit A.4. *(Describe any potential service areas as applicable; delete the prior sentence if there is no intent to provide extraterritorial service) (In the event the option of providing external services is an undetermined potential, reserve that option here)*

4. Analysis Of Alternatives. *(Provide justification for creating a new metropolitan district which specifically includes consideration of any practical alternatives for inclusion in one or more existing districts and/or reliance on private financing and/or other reasonable alternatives as may be available).*

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 District, 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. Issuance of any Debt with a maturity period of greater than thirty (30) years, from the date of issuance of such Debt.

f. Creation of any sub-districts as contemplated in the Special District Act. *(Remove if separate discussion of planned sub-districts is included in Service Plan)*

g. Inclusion into the District of any property over five (5) miles from the combined area of the Initial District Boundaries and the property described in Exhibit A.3 unless explicitly contemplated in this Service Plan.

h. *(Other limits as may be stipulated to by the applicant and/or required by the Board of County Commissioners).*

IV. DEVELOPMENT ANALYSIS

A. Existing Developed Conditions.

(Briefly describe/Describe the existing developed conditions within the proposed Initial District Boundary, Additional Inclusion Area and proposed additional service area as applicable)

B. Total Development At Project Buildout.

At complete Project build-out, development within the District is planned to consist of _____ *(describe in terms of total number of dwelling units, by type if applicable and include projected square footage of non- residential development)* the prices of homes in the project are expected to average between \$____ and \$____ in year 20__ dollars. The total estimated population of the District upon completion of development is _____.

C. Development Phasing And Absorption.

Absorption of the project is projected to take ____ years, beginning in ____ (year) and ending in ____ (year) and is further described in the Development Summary Table found at Exhibit B.

“The proposed metro district would assess a ____ mill levy on assessed properties in the district from 20__-20__. Over the ____ (life of the mill levy) years, the effect of collecting property taxes for the district will decrease El Paso County’s Specific Ownership Taxes (SOT) by an average of \$ ____ a year. In year 1 (____), EPC collections will be reduced by approximately \$ ____ and growing to \$ ____ at completion of the project in ____ (year 14). During the same time period, El Paso County’s property taxes are expected to grow approximately \$ ____ in 20__ to \$ ____ in year 14. Over the ____ year course of the project, we estimate total SOT collections will be reduced by \$ ____ while

property tax collections should increase by \$ _____.

D. Status of Underlying Land Use Approvals.

(Summarize the status of underlying land use approvals; e.g. Sketch Plan and/or zoning and/or subdivision approvals and relationship of current or anticipated approvals to this Service Plan)

(Provide unique justification for creation of district in advance of underlying land use approvals, if applicable)

V. INFRASTRUCTURE SUMMARY

Attached as Exhibit C is summary of the estimated costs of Public Improvements which are anticipated to be required within this District. 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 \$_____, in year 20__ dollars. It is estimated that the District will finance approximately \$_____ (or ___%) of this estimated amount, but the amount ultimately financed by the District 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 National Pollutant Discharge Elimination System 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.
~~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 District is capable of providing sufficient and economic service within the Project, and that the District has or will have the financial ability to discharge the District's Debt on a reasonable basis. The financial model attached as Exhibit D is an example of the manner in which the District may finance the Public

Improvements. The specific structure for financing the Public Improvements shall be determined in the discretion of the Board of Directors of the District, subject to the limitations set forth in this Service Plan.

B. Maximum Authorized Debt.

The District is authorized to issue Debt up to \$_____ million in principal amount. *(Briefly justify the stated debt limit amount).*

C. Maximum Mill Levies.

1. Maximum Debt Service Mill Levy. The Maximum Debt Service Mill Levy shall be fifty (50) mills, ~~subject to Gallagher Adjustment.~~ All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

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

3. Maximum Special Purpose Mill Levy Cap. The Maximum Special Purpose Mill Levy is __ (__) Mills, ~~subject to Gallagher Adjustment.~~

4. Maximum Combined Mill Levy. The Maximum Combined Mill Levy is __ 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).~~

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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 District is 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.

E. Developer Funding Agreements.

The Developer (does/does not) intend to enter into Developer Funding Agreements with the District in addition to recovery of the eligible costs associated with creation of this District. It is anticipated that in the formative years the District will have shortfalls in funding its capital costs and monthly operations and maintenance expenses. The Developer may fund these obligations for the District to promote the Project's development subject to the

Developer being repaid from future District revenues.

(Describe any intended agreements including reimbursement agreements; include the following language if applicable)

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 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 District (including privately placed bonds). Any extension of such term is considered a ~~Material-material Modification-modification~~ and must be approved by the Board of County Commissioners.

Required disclosure notices shall clearly identify the potential for the District 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 shall obtain the certification of an External Financial Advisor substantially as follows: We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) 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 District shall also be permitted to issue Revenue Obligations in such amount as the District 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 ____ mill levies are

as follows:

El Paso County
El Paso County Road and Bridge
School District ___
Pikes Peak Library District (if applicable)
_____ Fire Protection District
(Others, as applicable)

Total Existing Mill Levy:

The total mill levy including the initially proposed District mill levy is _____ mills.

Anticipated relationships and impacts to these entities _____ (discuss any applicable impacts, service overlaps or interrelationships).

B. Neighboring Jurisdictions.

The following additional taxing and or service providing entities include territory within three (~~3~~) miles of the Initial District Boundaries. (Add list)

Anticipated relationships and impacts to these entities _____ (discuss any applicable impacts, service overlaps or interrelationships).

VIII. DISSOLUTION

A. Dissolution. Upon an independent determination of the Board of County Commissioners that the purposes for which the District was created have been accomplished, the 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.

B. Administrative Dissolution. The District shall be subject to administrative dissolution by the Division of Local Government as set forth in Section 32-1-710, C.R.S.

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) and as further articulated by Board of County Commissioners Resolution No. Resolution 06-472, as may be amended.

~~An Annual Report and Disclosure Form will be required and submitted as described in C.R.S. 32-1-207(3)(d) and as further articulated by Board of County Commissioners Resolution No. 07-273.~~

B. Material ~~m~~Modifications of this Service Plan shall be subject to the provisions contained in Section 32-1-207, C.R.S., relating to approvals and notices thereof.

X. MISCELLANEOUS.

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

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 District, and in conjunction with final platting of any properties within the proposed District, the applicable Board of Directors of the District shall prepare a notice acceptable to the Planning and Community Development ~~Development Services~~ 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 ~~Development Services~~ 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 ~~Development Services~~ 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 which 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 District 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 District establishes that:

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

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

C. The proposed District is capable of providing economical and sufficient service to the Project.

D. The area to be included in the proposed District 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 District are compatible with the facility and service standards of the County.

G. The proposal is in substantial compliance with the with applicable elements of the El Paso County Master Plan, including but not limited to Your El Paso Master Plan (2021), the El Paso County Water Master Plan (2018), the El Paso County Parks Master Plan (2013), the El Paso County Major Transportation Corridors Plan, and with these Special District Policies. County master plan.

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

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EXHIBIT A
MAPS AND LEGAL DESCRIPTIONS

EXHIBIT B

DEVELOPMENT SUMMARY

Include applicable narrative or tabular summary of projected development by type, including number of units of residential, commercial/retail square footage and expected absorption.

Descriptive synopsis of the location, land uses, acreage and total proposed dwelling units and/or commercial square footage of the project).

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).

EXHIBIT D
FINANCIAL PLAN SUMMARY

Financial Plan Summary must contain:

Statement of Assumptions Contained in Plan

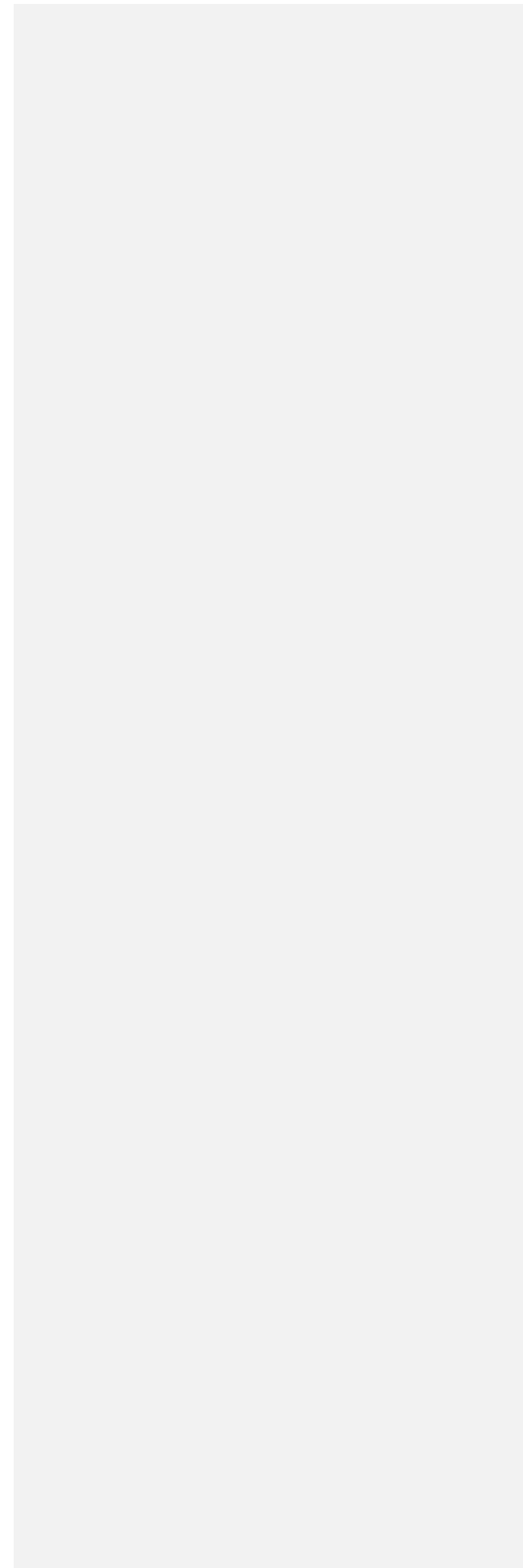
Assessed Value Projections

Revenue Projections by type of revenue (e.g. Debt Service Mill Levy, Operations Mill Levy, Special Purpose 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 District (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)

EXHIBIT E
ANNUAL REPORT AND DISCLOSURE FORM
(Sample attached)



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

1.	Name of District(s):	
2.	Report for Calendar Year:	
3.	Contact Information	
4.	Meeting Information	
5.	Type of District(s)/ Unique Representational Issues (if any)	
6.	Authorized Purposes of the District(s)	
7.	Active Purposes of the District(s)	
8.	Current Certified Mill Levies a. Debt Service b. Operational c. Other d. Total	
9.	Sample Calculation of Current Mill Levy for a Residential and Commercial Property (as applicable).	
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. Other d. Total	
11.	Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as applicable).	
12.	Current Outstanding Debt of the Districts (as of the end of year of this report)	
13.	Total voter-authorized debt of the Districts (including current debt)	
14.	Debt proposed to be issued, reissued or otherwise obligated in the coming year.	
15.	Major facilities/ infrastructure improvements	

	initiated or completed in the prior year	
16.	Summary of major property exclusion or inclusion activities in the past year.	

Reminder:

A. As per Colorado Revised Statutes, Section 32-1-306, 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.

~~B. Colorado Revised Statutes, Section 32-1-823(1), states a certificate of election results shall be filed with the County Clerk and Recorder.~~

Commented [KP2]: Statute does not exist

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
1675 W. Garden of the Gods Road, Suite 2201,
Colorado Springs, CO 80907

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~~**NOTE: As per CRS Section 32-1-104(2), a copy of this report should also be submitted to:
 County Assessor - 1675 W. Garden of the Gods Road, Suite 2300, Colorado Springs, CO 80907
 County Treasurer - 1675 W. Garden of the Gods Road, Suite 2100, Colorado Springs, CO 80907
 200 South Cascade Avenue
 Colorado Springs, Colorado - 80903~~

~~**NOTE: As per CRS Section 32-1-104(2), a copy of this report should also be submitted to:
 County Assessor - 27 East Vermijo, Colorado Springs, Colorado - 80903
 County Treasurer - 27 East Vermijo, Colorado Springs, Colorado - 80903~~

RESOLUTION NO. ~~97-272~~
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-material modification~~ thereof shall adhere to the applicable Model Service Plan formats as further addressed in Resolution No. ~~9721-XXX-273 (June 25, 2007)~~ Date 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,~~ aAll service plans for new Title 32 Special Districts and ~~Major~~ material ~~Amendments-modifications~~ 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~~material Amendment ~~does~~modification does not require a hearing by the Planning Commission unless a need for this hearing is specifically determined by the Planning and Community 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 ~~m~~Material Modifications-modifications to first be heard by the Planning Commission.

At a hearing occurring at least ten (10) days after the Planning Commission hearing on new service plans, the BoCC shall set a date for its hearing on the service plan, which date must be within thirty (30) days after the first BoCC hearing.

D.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.

~~**E. 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, [including but not limited to Your El Paso Master Plan \(2021\), the El Paso County Water Master Plan \(2018\), the El Paso County Parks Master Plan \(2013\), the El Paso County Major Transportation Corridors 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 Pikes Peak Regional 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 ~~15 (fifteen)~~ 15 mills if District(s) is proposed to own and maintain infrastructure and or open space, landscape, and or other facilities that serve as amenities to the residents within the proposed district(s) shall be allowed if supported by the Service Plan and accompanying detailed 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 ~~15-20 (twentyfifteen)~~ 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, [including justification for the basis of such projections.](#)

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). [The summary financial analysis shall also estimate the average annual impact to the County's Specific Ownership Tax of the proposed maximum district mill levy and a comparison of that impact with the estimated increase in County property tax collections from property within the district.](#)
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 material Amendments/modifications, as well as for other non-Major Amendments~~ if this topic is deemed by the ~~Development Services~~ Planning and Community Development 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 Districts ~~approvals are not preferred but may~~ 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 but~~ if so provided as part of permitted by 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. Concealed Carry Prohibition.

Service plans shall include the following provision: The District shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.

H.I. 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).

H.J. 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.

- 4.2. ~~All applications for material modifications shall require~~ All applications for material modifications shall comply with the County's Service plan Policies, and conformance with the applicable Model Service plan, and adds the following provision: The District shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.
- 2.3. ~~In cases where one or more Major Amendments~~ In cases where one or more material modifications 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 ~~material modification~~ 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.~~

- ~~6.4. 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:

- Assessment Rate Adjustment: means, if after approval of this Service Plan, the laws of the State change with respect to the assessment of property for taxation purposes, the method of calculating assessed valuation or any other similar changes occur, an allowed adjustment to the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy, or Maximum Special Mill Levy to be determined by the Board in good faith so that to the extent possible, the actual tax revenues generated by the Maximum Debt Service Mill Levy, Maximum Operational Mill Levy or Maximum Special Mill Levy, are neither diminished nor enhanced as a result of such changes.
- 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 Polices, and specifically including a complete financial plan as well as a market study, if applicable

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- 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 Title 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-material~~ Modification-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 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 the Taxpayer Bill of Right 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~~ 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.