comments in service plan will trigger an revisions here

___________, 2026

complete

El Paso County Planning Department
2880 International Circle, Suite 110
Colorado Springs, CO 80910
Attn: Kari Parsons

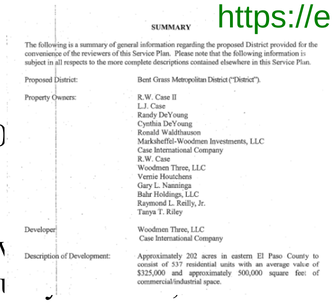
Re: Letter of Intent in Support of Organization of Bent Grass Commercial Metropolitan District

Dear Ms. Parsons:

On behalf of Evergreen Devco, Inc. ("**Developer**") we are submitting this letter of intent in support of the organization of the proposed Bent Grass Commercial Metropolitan District ("**District**"). The District's proposed location is generally located at the intersection of Bent Grass Meadows Drive and Woodmen Frontage road east of Bent Grass Meadows Drive and north of Woodmen Frontage Road and Woodmen Road ("**Property**"). The District is proposed to contain approximately 53.91 acres and is anticipated to consist of 14 commercial lots consisting of approximately 366,000 square feet of commercial space. We respectfully request consideration of the District's Service Plan for approval by the El Paso County ("**County**") Board of County Commissioners ("**Board**") at the Board's next public hearing.

A. Purpose of the District.

The District will be organized to provide, finance, construct, own, manage, and operate Public Improvements and services related to the development of the commercial development to be known as "**The Markets at Bent Grass**". The District will have the power and authority to provide the Public Improvements and related operation and maintenance services as such power and authority is described in the Special District Act, other applicable statutes, common law and the Constitution, and the District's Service Plan. It is intended that the District will provide for including, but not limited to, the following: water, sanitary sewer, storm drainage, street and roadway improvements, transportation improvements, traffic and safety controls, parks and https://epcdevplanreview.com/Public/ProjectDetails/10135


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:	Bent Grass Metropolitan District ("District").
Property Owners:	R.W. Case II L.J. Case Randy DeYoung Cynthia DeYoung Ronald Waldthauson Marksheffel-Woodmen Investments, LLC Case International Company R.W. Case Woodmen Three, LLC Vernie Houtchens Gary L. Nanninga Bahr Holdings, LLC Raymond L. Reilly, Jr. Tanya T. Riley
Developer	Woodmen Three, LLC Case International Company
Description of Development:	Approximately 202 acres in eastern El Paso County to consist of 537 residential units with an average value of $325,000 and approximately 500,000 square feet of commercial/industrial space.

this is not the case; there are multiple commercial developments. Perhaps it may be existing debt and term of existing debt? Has the exclusion been approved by the Board? Please provide a copy of the Board minutes and exclusion doc.

recreation improv ... , fire protection for hydrants only if needed, covenant enforcement, secu ... aste disposal.

The organization of the District is necessary as there are currently no government entities, including the County, located in the immediate vicinity of the Property who deem it desirable, feasible, or practical to undertake the planning, design, acquisition, construction, installation, relocation, and financing of the Public Improvements necessary to serve the Property. The Property is currently located within the boundaries of the existing Bent Grass Metropolitan District ("**Existing Bent Grass District**"), which was organized to serve a residential development. As such, the Existing Bent Grass District is not suited for commercial development. To address this the Existing Bent Grass District, Developer, and current owners of the Property ("**Owners**") anticipate entering into an Exclusion Agreement whereby the Property will be excluded from the Existing Bent Grass District upon the organization of the District ("**Exclusion Agreement**"). Per the terms of the Exclusion Agreement, the Owners agree to take all necessary steps to exclude the property from the Existing Bent Grass District and to subsequently include the property into the District.

Formation of the District is necessary to provide the Public Improvements required for The Markets at Bent Grass in the most economic manner possible by spreading the costs of the Public Improvements among those property owners who will benefit from the Public Improvements being constructed. The Public Improvements that the District intends to finance and construct within The Markets at Bent Grass include, but are not limited to, on and off-site roadway improvements consisting of erosion control, grading, base course, asphalt paving, safety protection, sanitary sewer improvements, water improvements, on and off-site drainage facilities, and landscaping. Additional major purposes of the District will include ongoing maintenance of one stormwater quality ponds and associated drainage ways. In addition, the District may provide covenant enforcement and design review services.

later the LOI says "the stormwater quality ponds" is there proposed to be one or multiple ponds?

B. Justification.

The Service Plan proposes a Maximum Combined Mill Levy of 60 mills, consisting of a Maximum Debt Mill Levy of 45 mills and a Maximum Operations Mill Levy of 15 mills. The District does not propose having a Special Purpose Mill Levy. At present, the Developer intends to record a covenant imposing Public Improvement Fee ("**PIF**") against all property within the District Boundaries, the revenues of which are anticipated to be pledged to the District. The revenue generated by the mill levies and the PIF are anticipated to be sufficient to pay the costs associated with the Public Improvements and will create benefits for the future users of the District and the County. In general, those benefits are: (a) administration of the design, acquisition, installation, construction, financing, operations, and/or maintenance of Public Improvements, and delivery of those Public Improvements in a timely manner; (b) maintenance of a reasonable tax burden on all residents of the District through proper management of the financing and operation of Public Improvements; and (c) assurance that Public Improvements required by the County are designed, acquired, installed, constructed, financed, operated, and/or maintained in a timely and cost effective manner by which to protect taxpayers, bondholders, and the County from the risk of development.

C. Justification for District Formation in Conjunction with Land Use Approval Process.

The Developer desires the approval of the District's Service Plan in conjunction with the County's land use approval. The Property is presently comprised of three parcels, currently zoned Commercial Regional (CR) and Light Industrial (I-2) and the Developer is currently in the process of changing the I-2 zoning district to Commercial Regional (CR) (CR261). An application for the Markets at Bent Grass Preliminary Plan (SP262) will include 14 commercial lots and approximately 366,000 square feet of commercial space on approximately 53.91 acres of land. It is anticipated the County will approve the rezoning and Preliminary Plan by the end of 2026.

The Developer is requesting that the County consider the District's formation in conjunction with the land approval process so that following the organizational election which will be held in May of 2027, the District can then move forward with public financing to fund the Public Improvements that will be constructed in accordance with the approved development plan.

D. Development and Financial Plans.

The Property is currently owned by Lena Gail Case and Cynthia DeYoung ("**Current Owners**") and is currently undeveloped. Prior to the development of the Property, the Current Owners and the Developer are anticipated to close on a purchase and sale agreement for the Property whereby the Current Owners will sell the Property to the Developer. At that time, the Developer will own the Property and develop it.

The Service Plan contains an estimate of the total infrastructure capital costs of $20,002,327.10 (in 2026 dollars). The Financing Plan attached to the Service Plan as Exhibit D is an example of the manner in which the District will finance the design, construction, installation, and acquisition of the Public Improvements. It is anticipated that the provision of public facilities and services by the District will be primarily financed by the issuance of bonds, secured by the District's *ad valorem* taxing authority and PIF revenue. This model demonstrates that the District is capable of providing sufficient and economic service within the subdivision, and that the District has or will have the financial ability to discharge the District's debt on a reasonable basis. Prior to the issuance of any debt, costs for Public Improvements, organizational costs and funding for operations and maintenance may be paid by the Developer and subsequently reimbursed to the Developer by the 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 development subject to the Developer being repaid from future District revenues. The amount of debt issued by the District to finance the Public Improvements will be in accordance with the limitations of the approved Service Plan.

The District intends to fund and/or construct the Public Improvements consisting of on and off-site roadway improvements, safety protection facilities, on-site drainage improvements, park and recreation improvements, mosquito control improvements, sanitary sewer improvements, water improvements, and transportation improvements.

E. Compliance With County Master Plan.

1. Your El Paso Master Plan (2021):

The proposed District and development, The Markets at Bent Grass, is situated within an Area of Change and is immediately adjacent to Priority Development Areas of the Master Plan. The parcels within The Markets at Bent Grass are identified as Area of Change: New Development. This is defined as land to be significantly transformed as new development occurs on currently undeveloped property. The proposed Development is consistent with this designation and will contribute to the Master Plan's New Development priorities by transforming the currently vacant parcel into a robust commercial center, creating new jobs, and providing services, restaurants, and shopping to the Falcon area.

The Master Plan designates the parcels as an Employment Center placetype. While the project aligns with the supporting land use criteria of an Employment Center—specifically through the inclusion of commercial retail, service, and restaurant uses—it functionally resembles a Regional Center. This placetype is characterized by high accessibility from major transportation corridors, such as Woodmen Road, and the capacity to house a diverse array of commercial businesses that address regional market demands.

The project is anticipated to be a significant economic driver, generating hundreds of both full- and part-time jobs for the community. While the development is not categorized as a "primary" use within the strict definition of an Employment Center placetype, it represents a highly compatible transition for the area. The Developer maintains that a Regional Center use is more harmonious with the existing neighboring residential, storage, and administrative facilities than traditional industrial employment uses. By serving as a robust regional tax generator and employment hub, the development fulfills the intent of the Master Plan's Core Principals and Goals.

The District is consistent with Core Principle 1, Land Use and Development, which seeks to "manage growth to ensure a variety of compatible land uses that preserve all character areas of the county," in addition to Goal 1.1, to "ensure compatibility with established character and infrastructure capacity."

The District is further consistent with the following goals: Goal 1.4 to "continue to encourage policies that ensure development pays for itself", and Goal 3.1 to "recruit new businesses and spur the development of growing sectors".

2. El Pasto County Water Master Plan (2018):

The proposed District which includes commercial development to be located within the District's boundaries further confirms to the following goals and policies of the County Policy Plan and the Water Master Plan:

- Goal 1.1 – Ensure an adequate water supply in terms of quantity, dependability, and quality for existing and future development.
- Goal 4.2 – Support the efficient use of water supplies.
- Goal 6.0 – Require adequate water availability for proposed development.

The proposed District is located within Region 5 of the El Paso County Water Master Plan and will be serviced by the Woodmen Hills Metropolitan District ("**Woodmen Hills**") for water and sanitary services. Woodmen Hills has provided a commitment letter to service the development dated May 26, 2026, along with water and wastewater resource reports for the development.

A copy of the Water Resources Report prepared by RESPEC, LLC, was provided in connection with the underlying land use application. The report indicates an anticipated overall demand of 57.30 AF/year for fourteen (14) lots upon final buildout. The report concludes that Woodmen Hills has adequate (current) legal supply to support the proposed development. Per the County's criteria, the 300-year supply of water for the subject property located within the proposed District's boundaries appears to be more than adequate for full buildout.

Consistent with the policies outlined in the Water Master Plan, the proposed commercial development intends to comply with, and incorporate, water efficiency standards, as allowed, such as xeriscaping and drought-tolerant landscaping, minimizing the use of high irrigation demand landscaping. As part of the underlying land use approvals, the Developer has submitted a Landscape Plan for the development, to ensure consistent and efficient landscaping across the development.

3. El Paso County Parks Master Plan (2022):

The proposed District and development align with the Parks Master Plan by supporting several key focus areas and goals. A permanent trail easement will be dedicated the County along the eastern portion of the property, enabling construction, ongoing maintenance, and public access to the Woodmen Hills Secondary Regional Trail by County (Focus Area Three). Locating the easement adjacent to the existing drainage way (Goal 9.2) allows the trail to incorporate natural features while minimizing disturbance to sensitive areas. Additionally, the development provides a complete sidewalk network along all subdivision rights-of-way, connecting to the regional trail system. This supports Goal 9.1 by enhancing pedestrian access between the commercial area, the broader regional trail network, and the surrounding community for both consumers and employees.

4. El Paso County Major Transportation Corridors Plan:

The 2045 Functional Classification map shows the adjacent Bent Grass Meadows Drive as a minor collector and Woodmen Road is an expressway. The 2045 Improvements map identified the most proximate roadway improvement to the site is the Woodmen Road widening project, expanding the existing four-lane roadway to six-lanes by 2045. A Traffic Impact Study, prepared by SM Rocha, has been provided in connection with the underlying land use approvals.

F. Service Plan Conformity.

The District's Service Plan is in conformance with the County's Special District Policies.

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

The demand for commercial space is high, and the District will provide for the construction of the Public Improvements necessary to sufficiently serve the future users of The Markets at Bent Grass. The District intends to also provide for the ongoing operations and maintenance of the Public Improvements within the District.

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

There are currently no other governmental or special district entities located in the vicinity that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, and financing of the Public Improvements needed for The Markets at Bent Grass. The District will provide funding for the provision of the required Public Improvements, as well as a funding mechanism for the perpetual maintenance needs.

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

what is the PIF % and is it based on retail sales so the end user will pay

The District will provide those Public Improvements and services necessary for The Markets at Bent Grass. The District can finance these improvements and services through an ad valorem tax and PIF on the property within the District, which reduces the prices for commercial users. The District's proposed mill levy is in line with comparable districts in the general area. The District will ensure that Public Improvements are constructed in a reasonable and timely manner, and as mentioned above, the District will further provide adequate and perpetual maintenance of the stormwater quality ponds and associated drainage ways within the subdivision, as well as covenant enforcement.

and detention ponds, and

4. 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.

The Financial Plan in the Service Plan demonstrates that the District has the financial ability to discharge the debt that the District intends to incur to finance the Public Improvements on a reasonable basis. Based upon the development assumptions provided by the Developer and the financial assumptions contained in the projected Financial Plan for the proposed District, the projected revenue is sufficient to retire all anticipated debt within the restrictions set forth in the District's Service Plan, including but not limited to the maximum debt mill levies and maximum maturity period.

Refinance anticipated; when? max mil levy imposition term remains at 40

5. **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.**

There are no existing governmental entities or special districts located in the vicinity of the District who are willing or capable of providing the necessary Public Improvements and services that the District will provide in a reasonable time and on a comparable basis. The District can facilitate this development that may otherwise not be possible.

6. **The facility and service standards of the proposed District are compatible with the facility and service standards of the County.**

The Public Improvements will be designed and constructed in accordance with the applicable County standards, as well as 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).

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

The proposed District will consist of commercial development and is contiguous to existing commercial development. This is consistent with the County master plan which encourages infill development that complements and transitions to existing uses. El Paso County School District 49 ("**District 49**") has not made any specific request with relation to this development. For collection year 2026, District 49 will collect a mill levy of 45.649 mills from property owners within the District.

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

The District will provide the needed infrastructure to develop the property consistent with the option to finance those improvements through the issuance of bonds secured by the District's *ad valorem* taxing authority and PIF, without placing an undue burden on the existing infrastructure of the County or other special districts. The District would ensure there is an orderly and planned development of the proposed Public Improvements.

Are there any off site improvements that the community will benefit from?

G. Conclusion

The organization of the District is in the best interests of the future users of the District and the area proposed to be served by the District. The District will ensure that the Public Improvements are completed in a timely manner in accordance with the applicable standards. In addition, the District will generate tax revenue and PIF revenue to pay for the ongoing maintenance and operations of the Public Improvements. The Developer respectfully requests the Board of County Commissioners approve of the Service Plan for the District.

Very truly yours,

MEGAN BECHER

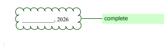
Closing

Enclosure(s)
c: ___________

4916-3789-1508, v. 2

V1_LOI.pdf Markup Summary

dsdparsons (9)



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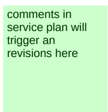

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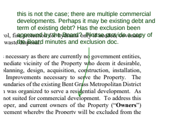
comments in service plan will trigger an revisions here



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this is not the case; there are multiple commercial developments. Perhaps it may be existing debt and term of existing debt? Has the exclusion been approved by the Board? Please provide a copy of the Board minutes and exclusion doc.

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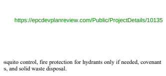

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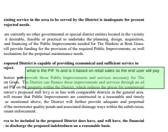

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what is the PIF % and is it based on retail sales so the end user will pay

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Refinance anticipated; when? max mil levy imposition term remains at 40

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Are there any off site improvements that the community will benefit from?

Mikayla Hartford (3)

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later the LOI says "the stormwater quality ponds" is there proposed to be one or multiple ponds?

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one stormwater

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the stormwater quality ponds