TO: **El Paso County Planning Commission**
Brain Risley, Chair

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

RE: **Project File #: ID-20-002**
Project Name: Grandview Reserve Metropolitan District Nos. 1-5
Parcel No.: 42000-00-396

APPLICANT:	REPRESENTATIVE:
4 Site Investments, LLC 1271 Kelly Johnson Boulevard Colorado Springs, CO 80920	Spencer Fane, LLC Pat Hrbacek P.C. 2154 E. Commons Avenue, Ste 2000 Centennial, CO 80122

Commissioner District: 2

Planning Commission Hearing Date:	09/17/2020
Board of County Commissioners Hearing Date:	09/29/2020 and 10/13/20

EXECUTIVE SUMMARY

A request by 4 Site Investments, LLC, for approval of a Colorado Revised Statutes Title 32 Special District service plan, with a multiple district configuration, for the Grandview Reserve Metropolitan District Nos. 1-5. The parcel proposed for inclusion into the District is 768.2 acres and is located north of Judge Orr Road, east of Eastonville Road, and west of Highway 24 and is within Sections 21, 22, 27, and 28 Township 12 South, Range 64 West of the 6th P.M. The properties are included within the Falcon/Peyton Small Area Master Plan (2006). The applicant is proposing the following: a maximum debt authorization of $250 million, a debt service mill levy of 50 mills for residential and 35 mills for commercial, an operations and maintenance mill levy of 10 mills, for total

maximum combined levy of 60 mills for residential and 45 for commercial. The statutory purposes of the Districts include the provision of the following: 1) street improvements and safety protection; 2) design, construction, and maintenance of drainage facilities; 3) design, land acquisition, construction, and maintenance of recreation facilities; 4) mosquito control; 5) design, acquisition, construction, installation, and operation and maintenance of television relay and translation facilities; 6) covenant enforcement; and 7) design, construction, and maintenance of public water and sanitation systems.

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

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

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

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

A. PLANNING COMMISSION SUMMARY

Request Heard: As a Regular item at the September 17, 2020 hearing.
Recommendation: Approval based on recommended conditions and notations
Waiver Recommendation: N/A
Vote: 9 to 0
Vote Rationale: N/A
Summary of Hearing: The applicant was represented at the hearing.
Legal Notice: Advertised in Shopper's Press on September 2, 2020

B. REQUEST/WAIVERS/AUTHORIZATION

Request: A request for approval of a Colorado Revised Statute Title 32 Special Districts service plan with a maximum debt authorization of $250 million, a debt service mill levy of 50 mills for residential and 35 mills for commercial, and an operations and maintenance mill levy of 10 mills, for a total maximum combined mill levy of 60 mills for residential and 45 mills for commercial. The statutory purposes of the Districts include the provision of the following: 1) street improvements and safety protection; 2) design, construction, and maintenance of drainage facilities; 3) design, land acquisition, construction, and maintenance of recreation facilities; 4) mosquito control; 5) design, acquisition, construction, installation, and operation and maintenance of television relay and translation facilities; 6) covenant enforcement; and 7) design, construction, and maintenance of public water and sanitation systems.

Authorization to sign: N/A

C. RECOMMENDED CONDITIONS AND NOTATIONS

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

CONDITIONS OF APPROVAL

1. As stated in the proposed service plan, the maximum combined mill levy shall not exceed 60 mills for any residential property and 45 mills for any commercial property within the Grandview Reserve Metropolitan District Nos. 1-5, with no more than 50 mills devoted to residential debt service, with no more than 35 mills devoted to commercial debt service, no more than 10 mills devoted to operations and maintenance, and unless the Districts receive Board of County Commissioner approval to increase the maximum mill levy.

2. As stated in the attached service plan, the maximum authorized debt for the Grandview Reserve Metropolitan District Nos. 1-5 shall be limited to $250 million until and unless the Districts receive Board of County Commissioner approval to increase the maximum authorized debt.

3. The approval of the service plan for the Grandview Reserve Metropolitan District Nos. 1-5 includes the ability of the Grandview Reserve Metropolitan District Nos. 1-5 to use eminent domain powers for the acquisition of property to be owned, controlled, or maintained by the Grandview Reserve Metropolitan District Nos. 1-5 or another public or non-profit entity and is for the material use or benefit of the general public. The Districts may not use the power of eminent domain without an approval by the Board of County Commissioners at a publicly noticed hearing that the use of eminent domain is necessary in order for the Grandview Reserve Metropolitan District Nos. 1-5 to continue to provide service(s) within the Districts' boundaries and that there are no other alternatives that would not result in the need for the use of eminent domain powers.

4. As stated in the attached service plan, any future annexation of territory by the Grandview Reserve Metropolitan District Nos. 1-5 (any territory more than five (5) miles from any District boundary line) shall be considered a material modification of the service plan and shall require prior approval by the Board of County Commissioners.

5. The Grandview Reserve Metropolitan District Nos. 1-5 shall provide a disclosure form to future purchasers of property in a manner consistent with the approved Special District Annual Report form. The developer shall provide written notation on each subsequent final plat associated with the development of the annually filed public notice. County staff is authorized to administratively approve updates of the disclosure form to reflect current contact information and calculations.

6. The Grandview Reserve Metropolitan District Nos. 1-5 are expressly prohibited from creating separate sub-districts except upon prior notice to the Board of County Commissioners, and subject to the Board of County Commissioners right to declare such creation to be a material modification of the service plan, pursuant to C.R.S. § 32-1-1101(1)(f)(I).

7. As stated in the attached service plan, approval of the proposed service plan hereby gives the Grandview Reserve Metropolitan District Nos. 1-5

the express authority of covenant enforcement, including the imposition of fees for such enforcement without the additional 5 mills.

8. As stated in the attached service plan, the Grandview Reserve Metropolitan District Nos. 1-5 shall not have the authority to apply for or utilize any Conservation Trust ("Lottery") funds without the express prior consent of the Board of County Commissioners. The Districts shall have the authority to apply for and receive any other grant funds, including, but not limited to, Great Outdoors Colorado (GOCO) discretionary grants.

9. Approval of this application shall not constitute relinquishment or undermining of the County's authority to require the developer to complete subdivision improvements as required by the Land Development Code and Engineering Criteria Manual and to require subdivision improvement agreements or development agreements and collateral of the developer to guarantee the construction of improvements.

10. Any future proposed development of the subject parcels will require approval of a map amendment (rezone), preliminary plan and final plat(s), and such final plat(s) must be recorded prior to undertaking land disturbing activities, unless approval a pre-development site grading request is granted by the Board of County Commissioners at the preliminary plan stage or as a separate, stand-alone request.

11. The Grandview Reserve Metropolitan District Nos. 1-5 shall not be authorized to issue debt until and unless the underlying zoning for the Grandview Reserve development is approved by the Board of County Commissioners.

NOTATIONS

1. Approval of this service plan shall in no way be construed to infer a requirement or obligation of the Board of County Commissioners to approve any future land use requests within the boundaries of the Districts.

2. Any expansions, extensions, or construction of new facilities by the Grandview Reserve Metropolitan District Nos. 1-5 will require prior review by the Planning and Community Development Department to determine if such actions are subject to the requirements of Appendix B of the Land Development Code, Guidelines and Regulations for Areas and Activities of State Interest (a.ka. "1041 Regulations).

D. BACKGROUND AND STATUS OF LAND USE APPROVALS

The property was initially zoned A-35 (Agricultural) in 1999. The property was rezoned from the A-35 (Agricultural) zoning district to the RR-2 (Residential Rural) zoning district on September 9, 2004 (PCD File No. P-04-004). Subsequent nomenclature changes to the El Paso County Land Development Code renamed the RR-2 zoning district as the RR-2.5 (Residential Rural) zoning district.

The Grandview Reserve Sketch Plan, which is under concurrent review, includes 768.2 acres and includes the following: 453 acres of urban density single-family residential development ranging from 4-12 dwelling units per acre; 134 acres of rural residential (low density) single-family residential development ranging from 1-2 dwelling units per acre; 127.1 acres of parkland, buffer, and open space; 16.4 acres of commercial; 17 acres of institutional (education and religious institution) land uses; and 20.6 acres of public right-of-way (PCD File No. SKP-20-001). The Grandview Reserve Sketch Plan has a maximum residential unit cap of 3,260 units. Subsequent map amendment(s), preliminary plan(s), and final plat(s) are required to initiate the land uses proposed within the sketch plan area.

The water and wastewater resources reports submitted in support of The Grandview Reserve Sketch Plan, state that the Grandview Reserve Metropolitan District Nos. 1-5 have available water supply capacity to provide adequate water service to the development within the sketch plan area. The report states that the water need for the uses depicted in the sketch plan is 1.177.08 acre-feet of water. In addition, the report states that additional water in the amount of 3,034 acre-feet of water is available to the Districts for the Grandview Reserve development. Grandview Reserve Metropolitan District Nos. 1-5 is proposed to have available wastewater service capacity via an anticipated intergovernmental agreement (IGA) with Woodmen Hills Metropolitan District.

Section III.B of the proposed service plan cites the need for potential intergovernmental agreements with overlapping service providers for wastewater services. There is no specific reference to an IGA with Woodmen Hills Metropolitan District within the service plan, although such IGA is anticipated. The applicant has indicated that placing specific language within the proposed service plan would be premature. Circumstances may change over time which requires flexibility and negotiation with Woodmen Hills Metropolitan District or other potential service providers. The applicant has

provided a will-serve letter from Woodmen Hills Metropolitan District stating that an IGA is anticipated between the Districts (see attached).

E. APPLICABLE RESOLUTIONS:

See attached Resolution.

F. STATUS OF MAJOR ISSUES

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

G. APPROVAL CRITERIA

1. STATUTORY COMPLIANCE

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

<u>Required findings</u>

I. Sufficient existing and projected need

The applicant is requesting concurrent approval of a sketch plan for 768.2 acres to create a maximum of 3,260 single-family residential units, 20.6 acres of right-of-way, 16.4 acres of commercial development, 17 acres of institutional land uses (school and religious), and 127.1 acres of open space, trail corridor, utilities and detention tracts. The sketch plan and special district are both scheduled for the Board of County Commissioners hearing on September 22, 2020.

The applicant is required to submit applications for approval of a map amendment (rezone) from RR-2.5 to a zoning district(s) that will allow for the proposed development pursuant to the approved sketch plan. Approval of preliminary plan(s) and final plat(s) will also be required, and the final plat(s) will need to be recorded prior to initiation of those uses and densities identified in the sketch plan.

Development of the lots, streets, drainage improvements, and trails, along with platting and providing ongoing maintenance of the associated open space tracts, trails and drainage improvements establishes sufficient need for the proposed Grandview Reserve

Metropolitan District Nos. 1-5. The subject parcels require approval of the above applications prior to development.

II. Existing service is inadequate for present and projected needs

Woodmen Hills Metropolitan District and Meridian Ranch Metropolitan District are currently providing water and wastewater services to the developed areas west of the subject area. 4-Way Ranch Metropolitan District is proposed to provide water and wastewater services to future development to the south; however, no infrastructure exists at this time. The developed parcels to the north, and east are served by well and on-site wastewater treatment systems. The subject parcel is not located within the boundaries of the Woodmen Hills Metropolitan District. The applicant states in their letter of intent and in the proposed service plan that it would not be financially feasible for Woodmen Hills Metropolitan District, Meridian Ranch Metropolitan District or 4-Way Ranch Metropolitan District to finance construction of the public improvements needed to serve the Grandview Reserve development due to the additional debt the districts would incur and their limited debt capacity.

The creation of the Grandview Reserve Metropolitan District Nos. 1-5 isolates the costs of the necessary infrastructure to the Grandview Reserve development. Additionally, 4-Way Ranch Metropolitan District, Meridian Ranch Metropolitan District, and Woodmen Hills Metropolitan District do not have sufficient debt capacity to finance the necessary infrastructure for the Grandview Reserve development. Pursuant to the concurrently reviewed Grandview Reserve Sketch Plan application, the applicant obtained a wastewater commitment to serve the overall development from the Woodmen Hills Metropolitan District. There is no physical connection of Woodmen Hills infrastructure across the parcels to the west that could be used to serve the proposed development. Therefore, the proposed Grandview Reserve Metropolitan District Nos. 1-5 will need to extend these services across the parcels and into the proposed development. After construction, the wastewater infrastructure is anticipated to be dedicated to the Woodmen Hills Metropolitan District for ownership and ongoing maintenance based upon an anticipated intergovernmental agreement.

The proposed Grandview Reserve Metropolitan District Nos. 1-5 anticipate constructing and maintaining the infrastructure needed to extend water supply infrastructure into and throughout the proposed

development. The incorporated boundaries of the City of Colorado Springs are located approximately one mile to the southwest and are not directly adjacent to the subject parcels; therefore, annexation into the City is not possible at this time. There is no public entity available that has suitable debt capacity and the capability to construct and maintain the required water and wastewater infrastructure, street and safety improvements, drainage facilities, covenant control, mosquito control, and recreation facilities.

III. District is capable of providing economical and sufficient service

The applicants financial plan summary prepared by DA Davidson assumes an average base home price of $375,000 (2,989 units), and $575,000 (271 units) in 2020, an assessment year. New home sales are assumed to inflate at 2-percent per year. Biennial reassessment on existing property is assumed to be 6-percent. A 40-year debt service is proposed in lieu of the typical 30-year limitation. Pursuant to the analysis and conclusions within the Districts' financial plan, a summary of which is included as Exhibit D of the service plan, the Districts propose to provide services within the service area in an economic and sufficient manner.

IV. Financial ability to discharge proposed indebtedness

The Districts' financial plan indicates that the Districts would have the ability to discharge the proposed indebtedness pursuant to the densities set forth in the Grandview Reserve Sketch Plan, if approved. It is important to note that the plan relies upon a development build-out schedule beginning in 2021 and ending in 2028 with approximately 408 single-family homes being constructed every year beginning in 2021 at an approximate mode value of $375,000.00. Additionally, 20,000 square feet of commercial uses is proposed to be built out in 2026. Commercial property is assumed to be valued at $250.00 per square feet in the 2020 assessment year. The applicant is assuming that full build-out will capitalize on the growing need of single-family homes in the region. DA Davidson assumes the growth rate assumptions (approximately 408 single-family homes being constructed every year beginning in 2021 through 2028), provided by the developer.

Staff compared the Grandview Reserve Metropolitan District Nos. 1-

5, financial summary to the recently approved, Ranch Metropolitan District's financial summary to assess the reasonableness of the debt discharge. The Ranch Metropolitan District's financial summary concluded that the pace of annual delivery of new homes in the nearby Sterling Ranch development has increased significantly over the last year and as of first quarter, 2020, the annual new home start pace was 111 homes per year which is significantly less than the absorption rate assumed in the applicant's projections. . Furthermore, a recent *Metrostudy* report focused on anticipated annual closings in the Colorado Springs market suggests that the number of annual closings over the next 10 years are anticipated to be approximately 3,500 units per year. At a projection of 400 new home starts per year, this would represent a 11.2% market share. In 2019, there were 3,515 annual starts of single-family detached and attached new home starts and 3,536 new closings in the Colorado Springs market.

The applicant's anticipated build-out schedule, absorption rate, and project market share appear to be in excess of current market trends.

Discretionary findings

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

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

The area proposed to be included within Grandview Reserve Special District Nos. 1-5 is not located within the boundaries of another district. Woodmen Hills Metropolitan District has committed to serve wastewater service if the infrastructure is extended by the proposed Districts from Woodmen Hills to the Grandview Reserve development. The Grandview Reserve Metropolitan District Nos. 1-5 are anticipated to extend services from the west (Woodmen Hills development) to the proposed Grandview Reserve development. After construction, the wastewater infrastructure is anticipated to be dedicated to the Woodmen Hills Metropolitan District for ownership and ongoing maintenance. The will-serve letter attached to this report indicates that an intergovernmental agreement is anticipated to be entered into by the Districts pursuant to creation of the Grandview Reserve Special District Nos. 1-5.

There is no public entity available that has available debt capacity and is capable of constructing the required water and wastewater infrastructure. The proposed districts are planning to construct, own and maintain the water infrastructure within the proposed Grandview Reserve Development.

The other proposed services can be provided without the creation of the new Districts. The developer could construct the necessary infrastructure (roadways, sidewalks, drainage facilities, parks and open space areas, etc.) and create a homeowners' association that would be responsible for the ongoing maintenance of the open space areas and permanent water quality features (detention ponds). Staff does acknowledge, however, that the desire to secure upfront financing to construct the proposed infrastructure and the need to generate ongoing funds to support maintenance efforts are traditional reasons for forming special districts.

II. Facility and service standards compatible

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

III. Compliance with the Master Plan

A finding of general conformity with the El Paso County master plan, including the El Paso County Policy Plan (1998), El Paso County Water Master Plan (2018), the Falcon/Peyton Small Area Comprehensive Plan (2008), is anticipated to be made by the Board of County Commissioners with approval of the Grandview Reserve Sketch Plan concurrently requested.

a. El Paso County Policy Plan

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

Goal 14.1

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

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

Policy 14.1.3
Discourage the use of special districts as a vehicle to fund substantial amounts of required infrastructure in predominantly undeveloped areas and require the conservative phasing of infrastructure construction during the initial phases of development.

The service plan proposes a maximum indebtedness of $250 million. The proposed public improvement costs are estimated at $235 million (year 2020 dollars). The phasing of the subject development includes extensions of water and wastewater services, design and construction of principal arterials and collectors to include a planned extension of the Rex Road corridor from Eastonville Road to an intersection with Highway 24. The surrounding area to the north, south, and east are not developed; the areas to the north and east are limited to well and on-site wastewater treatment facilities. It is anticipated that the areas to the north and south will be developed which is consistent with the policy.

Policy 14.1.4
Encourage special districts to comprehensively plan for the resources and facilities they will need to accommodate potential future growth.

The intended purpose of the Grandview Reserve Metropolitan District Nos. 1-5 are to finance and construct water and wastewater lines and facilities, roadway and street improvements, and drainage and stormwater facilities, park lands, and to provide television relay and translation and mosquito control, all of which support future development within the proposed service area.

Availability of centralized water and wastewater services in conjunction with completion of the east-west Rex Road Corridor to Highway 24 could enable development of the surrounding rural properties west of the Highway 24 Corridor and south of Latigo Ranches.

Policy 14.1.5
Encourage the careful preparation and review of special district service plans in order to ensure that development and financial assumptions are reasonable, all plausible alternatives have been considered, services and boundaries are well-defined, and contingencies have been anticipated.

Staff has reviewed the service plan with supporting development analysis financial assumption summaries pursuant to the requested Grandview Reserve Sketch Plan and find that they may be excessive, as further detailed above. The plan also proposes a 40-year debt pay off where 30-years is typical. The assumptions are based on anticipated residential and commercial development. It should be noted that future market conditions could create a situation that may significantly or adversely affect the proposed Districts' ability to discharge debt.

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

b. El Paso County Water Master Plan

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

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

Goal 1.2 – Integrate water and land use planning

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

Policy 5.3.1- Discourage individual wells for new subdivisions with 2.5 acres or smaller average lot sizes, especially in the near-surface aquifers, when there is reasonable opportunity to connect to an existing central system, alternatively, or construct a new central water supply system when the economics of scale to do so can be achieved.

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

The subject property is located within Region 3, Falcon Area, which is expected to have increased growth demand by 2040. Specifically, the Plan states:

> "Region 3 contains four growth areas west of Falcon projected to be completed by 2040. Other areas of 2040 growth are projected for the north-central part of the region west of Highway 24 extending from Falcon to 4-Way Ranch. North of Falcon along Highway 24, growth is projected by 2060 on both sides of the highway. Just west of Falcon, another small development is projected by 2060 on the north and south sides of Woodmen Road. On the east side of Highway 24, three separate areas of growth are projected for development by 2060, with the largest of the three spanning from south of Judge Orr Road to east of Peyton Highway into Region 4c. This development will likely consist of 35-acre lots that will require individual wells to use Denver Basin groundwater. The other two growth areas will be located on the north and south sides of Falcon Highway directly east of Falcon."

For Region 3, the Water Master Plan identifies a current water demand of 4,494 acre feet (AF) and a current supply of 7,164 AF, resulting in a surplus of water (decreed water rights) of 2,670 AF. The area in which Grandview Reserve is located is projected in the Water Master Plan as likely to reach build out by year 2040. The

Districts financial plan anticipates buildout by 2028. For year 2040, the Plan projects a water demand of 6,403 AF for Region 3 versus a projected supply of 7,921 AF, resulting in a reduced surplus of only 761 AF. When considering additional development in Region 3, it is important to note that the Plan ultimately projects a water supply deficit for the Region of 1,143 AF by year 2060.

A request for finding of water sufficiency in regard to quantity, dependability, and quality is not being requested, nor is it required, with the proposed Grandview Reserve Metropolitan District Nos. 1-5 but would occur at the later subdivision stage. The applicant is proposing the subject development to be served by the proposed Grandview Reserve Metropolitan District Nos. 1-5. The water resource report submitted with the concurrently requested sketch plan states that the water demand for the uses depicted in the sketch plan is 1.177.08 acre-feet of water. In addition, the report states that additional water in the amount of 3,034 acre-feet of water is available to the Grandview Reserve Metropolitan District Nos. 1-5 for the Grandview Reserve development from 4-Way Ranch. The future anticipated application(s) for a preliminary plan(s) may include a water sufficiency finding request, but if not included with a preliminary plan, then it must accompany a final plat request. The proposed districts are intended to expand the centralized water services to the north-central part of the region west of Highway 24 extending from Falcon to 4-Way Ranch. This development was previously the northern portion of the 4-Way Ranch overall development area as indicated in the 2004 map amendment (rezone) from A-35 to RR-2.5, The extension of central water service to this area is anticipated to reduce the number of individual wells which supports many of the goals and policies of the Water Master Plan.

c. Small Area Plan Analysis

The property is located within the Falcon/Peyton Small Area Master Plan (2008). The Plan states:

> "The primary purpose of this plan is to set forth a framework within which proposed new land uses may be analyzed. This document describes the characteristics and features which are unique to this planning area. The plan is intended to serve as

> an advisory planning tool to guide future land use decisions." (Page 1)

Figure 4-5 - Recommendations Plan, shows this area as being recommended for urban density development. The Plan defines "Urban Density" as:

> "Parcel sizes are less than 2.5 acres, typically less than 1 acre. These areas are served by urban level infrastructure, including roadways, water distribution, and wastewater treatment."

More specifically the subject parcel is within the 4-Way Ranch sub-area. Section 4.4.4, (page 4-24) of the Plan states:

> "The 4-Way Ranch area encompasses the historic ranch parcels currently owned by 4-Way Ranch LLC and the immediately surrounding parcels to the north and west of the ranch."

Section 4.4.4, (page 4-24) includes the relevant following goals and policies:

4.4.4.1 Encourage the acquisition of one or more additional regional park sites in area, in coordination with the County Parks Department and participating landowners. Specifically encourage current efforts to locate a new regional park in the 4-Way Ranch/ Meridian Ranch area.

4.4.4.2 Encourage planned coordination of the development of the 4-Way Ranch parcels. A development master plan should be developed to thoughtfully arrange land uses and community amenities on the ranch parcels and coordinate any future development of subsections of the historic 4-Way Ranch.

Additionally, the subject parcel is also within the Highway 24 Corridor. Section 4.4.5, (page 4-24) includes the relevant following goals and policies:

4.4.5.1 Recognize the importance of Highway 24 as the primary transportation artery serving the existing and future needs of the area. Maintain options for stringent access control, adequate right-of-way preservation and adjacent land uses which will complement a higher speed, higher traffic expressway corridor.

4.4.5.2. Maintain the integrity of the Rock Island Trail Corridor through the planning area by limiting at-grade crossings, encouraging compatible adjacent uses which complement the trail, and encouraging interconnecting non-motorized trails and adjacent open space.

The subject area was anticipated to develop as urban density if centralized water and sewer were made available to the area as depicted on the Future Land Use Map, figure 4-5. The Grandview Reserve Metropolitan Districts propose to construct central water and wastewater infrastructure to serve the depicted urban and rural lots, which is consistent with the above recommendations, goals, and policies regarding density.

Rex Road is proposed to extend through the development from the northwest corner to the eastern boundary, connecting to Highway 24, an expressway as depicted on the concurrent sketch plan which will provide an east west corridor for the Falcon area. The Districts are anticipated to fund the design, and construction of the planned roadway. It is unlikely that the connection from Eastonville Road to Highway 24 would occur without the Grandview Reserve Metropolitan District Nos. 1-5 funding and constructing the improvement. The sketch plan also depicts commercial land uses adjacent to Highway 24, which are likely to be more compatible with the higher travel speeds traffic counts generated by the expressway road classification.

The Falcon Regional Park was established west and adjacent to the subject property and is anticipated to connect to the development within the proposed sketch plan via the multiple interconnected open space corridors. The applicant has also depicted internal trail connections to the Rock Island Regional Trail corridor on the concurrent sketch plan as recommended by the Plan.

Staff recommends that the request for the Grandview Reserve Special District Nos. 1-5 can be found to be in general conformance with the Falcon/Peyton Small Area Master Plan (2008).

IV. **Compliance with water quality management plan**
Section 3.6, Wastewater Treatment Facilities, of the Pikes Peak Area Council of Government's Water Quality Management Plan 2010 Update, which was in effect at the time of application submittal, states that, "If it is economically feasible wastewater service will be provided in regional and sub regional publicly owned wastewater treatment facilities, and small privately owned facilities will be avoided." The applicant is proposing that wastewater treatment service for the anticipated development will be provided by the Woodmen Hills Metropolitan District via intergovernmental agreement between the Districts. The applicant will design, finance and construct the wastewater infrastructure, which is anticipated to be dedicated to Woodmen Hills Metropolitan District after construction for ongoing maintenance.

V. **In the best interests of the area to be served**
See other service provision discussions in this staff report.

2. **COMPLIANCE WITH 2007 SPECIAL DISTRICT POLICIES**
(The County's Special District Policies, dated June 25, 2007, are included as an attachment. The following is a summary of the analysis of those policies as they apply to this request.)

I. **Conformity with statutory standards**
(See Statutory Compliance discussion above)

II. **Conformity with County Master Plan and Polices**
(See the Discretionary Findings discussion above and below)

III. **Content in conformance with statutes**
To the knowledge of staff, the process followed to this point has been consistent with the requirements of Colorado statutory law.

IV. **Applicants responsible for meeting timelines**

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

V. Limiting proliferation of districts

Approval of this service plan will allow for the creation of five (5) new Title 32 Special Districts. The creation of the proposed Districts will not result in service provision redundancy in the area.

There are currently no other governmental entities, including the County, located in the immediate vicinity of the Grandview Reserve Metropolitan District Nos. 1-5 that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the public improvements needed for the project. It is acknowledged that the Districts are located in the vicinity of several other districts, including 4-Way Ranch Metropolitan Districts ("4-Way Ranch"), Meridian Ranch Metropolitan District ("Meridian"), and Woodmen Hills Metropolitan District ("Woodmen Hills"). It is not feasible, however, for those districts to include this development within their service areas. For example, a separate district is needed to support and pay for the public improvements to be associated with the project including, but not necessarily limited to, streets, roadway and drainage improvements. The contemplated public improvements are anticipated to be both significant and costly. Additionally, the property owners/developers of the property within the project have no authority or control in connection with the governance or operations of 4-Way Ranch, Meridian or Woodmen Hills Metropolitan Districts. Likewise, the 4-Way Ranch, Meridian and Woodmen Hills District service plans do not allow for sufficient debt capacity to account for the debt necessary to fund the needed infrastructure. Based on the foregoing, formation of the Grandview Reserve Metropolitan District Nos. 1-5 is necessary in order to provide the public improvements needed for the development in the most economic manner possible.

The surrounding adjacent properties to the north and west are served by individual wells and on-site wastewater treatment systems. The applicant is not proposing for the Grandview Reserve Special District Nos. 1-5 to provide wastewater services, but instead is requesting authority to finance, construct, and install the physical infrastructure needed to extend the wastewater services of the Woodmen Hills Metropolitan District from the west into the Grandview Reserve

development. The infrastructure is then anticipated to be dedicated to Woodmen Hills Metropolitan District for ongoing ownership and maintenance pursuant to an anticipated intergovernmental agreement. Water service is anticipated to be provided by the proposed Grandview Reserve Metropolitan District Nos. 1-5. The applicant is proposed to have covenant enforcement authority without requesting a dedicated 5 mills, which would be geographically limited to only those properties located within the Districts' boundaries.

VI. Coordination with other elected officials and departments

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

VII. Address potential for annexation

The boundaries of the proposed Grandview Reserve Metropolitan District Nos. 1-5 are not adjacent or within close proximity to any municipal service provider. The City of Colorado Springs' incorporated boundaries are located approximately one mile to the southwest.

VIII. Development Analysis

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

IX. Mill Levy Caps

The applicant is requesting approval of a maximum combined mill levy cap of 60 mills for residential and 45 mills for commercial, including 50 mills devoted for residential debt service, 35 mills devoted for commercial debt service, and 10 mills for operations and maintenance for residential and commercial. The Board of County Commissioners policies limit the maximum combined total mills to 60 mills with an additional Special Purpose Mill Levy of 5 mills being allowed if covenant enforcement authority is being proposed. The applicant is not requesting an additional 5 mills for covenant enforcement although the

Grandview Reserve Metropolitan District Nos. 1-5 may perform covenant enforcement pursuant to their statutory authority.

X. Master Districts

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

XI. Multiple Districts

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

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

The proposed service plan anticipates the formation of five (5) districts. The proposed district configuration is known as a multiple district with control arrangement. District No. 1 is proposed to function as the control district, which is responsible for managing the construction, acquisition, installation, and operation of the Public Improvements. District Nos. 2-4 are proposed to be the financing district for the residential property. District No. 5 is proposed to be the financing district for the commercial property. The County Special District Policies require the applicant "provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area." The applicants service plan identifies that the five-district configuration is the minimum necessary to facilitate phased development of the Grandview Reserve development and to provide (a) coordinated administration of construction and operation of public improvements and delivery of those improvements in a timely manner; and (b) assurance that improvements required by the County are constructed in a timely and cost-effective manner.

XII. Skeletal Service Plans

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

XIII. Authorization of Debt and Issuance of Bonds

The proposed maximum amount of indebtedness for the Grandview Reserve Metropolitan District Nos. 1-5 is $250 million. The period of maturity for any issued debt, not including developer funding agreements, is limited to no more than thirty (30) years without prior approval from the Board of County Commissioners. The applicant is requesting a forty (40) year period of maturity for any issued debt.

6. COMPLIANCE WITH COUNTY PROCEDURES AND GUIDELINES

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

7. OTHER FACTORS

Not applicable with this request.

H. SERVICES

1. WATER

Water service is anticipated to be provided by the proposed Grandview Reserve Metropolitan District. The proposed Districts are requesting authority to finance, design, construct, own and maintain water service lines into and within the Grandview Reserve development.

2. WASTEWATER

Woodmen Hills Metropolitan District has provided a will-serve letter to provide wastewater service. Woodmen Hills Metropolitan District and Grandview Reserve Metropolitan District Nos. 1-5 anticipate entering into an intergovernmental agreement for wastewater treatment service. The proposed Grandview Reserve Metropolitan District Nos. 1-5 are requesting authority to finance, design, and construct wastewater service lines into and within the Grandview Reserve development. The infrastructure will be dedicated to the Woodmen Hills Metropolitan District for ongoing maintenance and ownership after it is constructed and operational. An intergovernmental agreement between the Woodmen Hills Metropolitan District and Grandview Reserve Metropolitan District Nos. 1-5 to memorialize the terms of the inclusion agreement is anticipated if the Grandview Reserve District Nos. 1-5 are created.

3. TRANSPORTATION

Approval of the proposed service plan would authorize the Grandview Reserve Metropolitan District Nos. 1-5 to finance, design, and construct arterial,

collector and local level street improvements and any bridges, fences, trails, lighting, landscaping, and traffic and safety controls and devices. The applicant's intent and the County's requirement is to construct any street improvements to applicable County standards. The applicant is proposing to dedicate such facilities to the County for ongoing ownership and maintenance. All improvements constructed by the Grandview Reserve Metropolitan District Nos. 1-5 located outside of the dedicated right-of-way shall be maintained by the Grandview Reserve Metropolitan District Nos. 1-5. The County Road Impact Fee Program BoCC Resolution 19-471 applies to this development, any future request for a preliminary plan and final plat will require plat notes indicating that that fee applies.

4. DRAINAGE

Approval of the proposed service plan would authorize the Grandview Reserve Metropolitan District Nos. 1-5 to finance, design, construct, and maintain drainage facilities, including detention ponds, culverts, pipes, channels, and swales. All on-site and off-site drainage facilities are to be owned and maintained by Grandview Reserve Metropolitan District Nos. 1-5, but all plans and designs must first be submitted to Planning and Community Development Department for technical review, comment, and approval. The majority of the subject area is within the Geick Ranch Drainage Basin. A portion in the northeast corner of the subject property is within the Hook and Line Ranch basin. The applicant is proposing channel improvements where necessary and full-spectrum drainage facilities to detain development runoff to historic rates.

The Geick Ranch Drainage Basin Planning Study (DBPS) (2010) was not completed and adopted (there is no anticipated adoption date) by the County; however, it is being used for general reference in the project's overall drainage design. There are no drainage or bridge fees in either the Geick Ranch or the Hook and Line Ranch drainage basins.

5. PARKS AND RECREATION

As stated in the proposed service plan, the Grandview Reserve Metropolitan District Nos. 1-5 shall not have the authority to apply for or utilize Conservation Trust ("Lottery") funds without the express prior approval of the Board of County Commissioners, but shall have the authority to apply for and receive any other grant funds, such as Great Outdoors Colorado (GOCO) discretionary grants.

6. **FIRE PROTECTION**
   The Falcon Fire Protection District will serve the development. The District was sent a referral and have no objections or concerns with the request.

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

8. **OTHER FACILITIES OR SERVICES**
   Black Hills Energy will provide natural gas service and Mountain View Electric Association (MVEA) will provide electrical service to the anticipated development within the service area of the proposed Districts.

I. RELATIONSHIPS TO OTHER DISTRICTS OR MUNICIPALITIES

The Grandview Reserve Metropolitan District Nos. 1-5 anticipate entering into an intergovernmental agreement with Woodmen Hills Metropolitan District to memorialize the terms of the inclusion agreement, including the imposition of the special purpose mill levy to be imposed by the proposed Districts.

J. SCHOOL DISTRICT IMPACTS OR CONCERNS

Peyton School District No. 23 was sent a request for comment for the proposed service plan. No comments have been received to date.

K. PUBLIC COMMENT AND NOTICE

There are no posting or mailing requirements for hearings before the Planning Commission on Colorado Revised Statutes Title 32 Special District service plans; PCD staff did notify 15 adjacent property owners by mail on August 27, 2020. However, there are notice requirements for hearings before the Board of County Commissioners. The applicant was required to notify all taxing jurisdictions within three (3) miles of the District's boundaries as required by state statute prior to the Board of County Commissioners hearing. In addition, published notice was provided by County staff in the Shopper Press.

L. OUTSTANDING CONCERNS

There are no outstanding issues.

M. ATTACHMENTS

Vicinity Map
Letter of Intent

Proposed Service Plan and Attachments
Woodmen Hills Metropolitan Districts Will-Serve Letter
2007 El Paso County Special District Polices
Board of County Commissioners' Resolution
Objection Letter Received Prior to PC Hearing

El Paso County Parcel Information

File Name: SKP-20-001 / ID-20-002

Zone Map No. --

Date: August 26, 2020

PARCEL	NAME
4200000396	4 SITE INVESTMENTS LLC

ADDRESS	CITY	STATE
1271 KELLY JOHNSON BLVD #100	COLORADO SPRINGS	CO

ZIP	ZIPLUS
80920	3951

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

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SpencerFane

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

File No. 5035740.0001

August 19, 2020

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

Re: Letter of Intent in Support of Formation of Proposed Grandview Reserve Metropolitan District Nos. 1 - 5

Dear Ms. Parsons:

The proposed formation of Grandview Reserve Metropolitan District Nos. 1 - 5 (collectively, the "Districts") encompasses approximately 765 acres of land generally located northwest of Highway 24, east of Eastonville Road, south of Latigo Boulevard, and north of Stapleton Road in El Paso County, Colorado (Schedule Number 4200000396) ("Grandview Reserve Property"). Ultimately the Districts are anticipated to consist of approximately 3,261 single family residential units and 20,000 square feet of commercial development. It is anticipated that District Nos. 1-4 will contain residential property and District No. 5 will contain nonresidential property. The number of anticipated homes and the amount of commercial square footage remain estimates and may be altered depending on the final outcome of the development approval process.

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

A. Purpose of the Districts

One of the primary purposes of the Districts is to provide for the construction, installation, completion, financing and possible ownership, operation and maintenance of public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, stormwater and drainage, landscaping, and park and recreation improvements, and services and powers provided for metropolitan districts authorized by the Special District Act, pursuant to Title 32, C.R.S. and provided within similar districts within the County. The creation of the Districts is necessary to serve the Grandview Reserve Property because there are currently no other governmental entities, including the County, located in the immediate vicinity of the Districts that consider it desirable, feasible, or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of

the public improvements needed to serve the Grandview Reserve Property. Woodmen Hills Metropolitan District ("WHMD") is anticipated to be the sewer provider to the Grandview Reserve Property, however, WHDM, along with 4-Way Ranch Metropolitan District No. 2 and other special districts in the vicinity, are unable to provide or fund the public improvements. Furthermore, the creation of the Districts will ensure the costs of the public improvements are shared by the property owners and taxpayers directly benefitting from such public improvements.

To the extent any of the authorized facilities and improvements are dedicated to and accepted by the County or other entities having jurisdiction, the County or other entities shall own, operate and maintain such accepted facilities and related improvements. The Districts shall be authorized to own, operate and maintain any facilities and improvements not otherwise dedicated to and accepted by any applicable public entity acting as a Provider Jurisdiction (as defined in the proposed Service Plan), subject to any County rules and regulations. It is anticipated that the Districts will enter into an intergovernmental agreement with WHMD to govern the provision of sewer services by WHMD following the Districts' construction of the sewer infrastructure.

B. Justification and Information Regarding Multiple District Structure

The Districts will serve a large project with significant infrastructure. A multi-district structure is being utilized to allow the development to occur in phases and to differentiate the residential portions of the project from the commercial portions. The multi-district structure will accommodate any delays in development and will provide a coordinated approach to infrastructure financing by segregating the bonds to completed portions of the development instead of being forced to issue bonds early in the project. Use of District No. 1 as the Control District to facilitate the long-term construction, financing, and operation of the public improvements will guarantee that the areas within the Grandview Reserve Property are responsible for funding their fair and equitable share of the costs of capital improvements and operations. District Nos. 2-5 will be authorized to perform the same functions, however, it is anticipated that District Nos. 2-5 will be responsible for providing the funding and tax base needed to support the program (together with District No. 1), while District No. 1 will be the district responsible for managing the construction, acquisition, installation, and operation of the public improvements. The Districts will enter into an inter-district agreement further governing this relationship.

C. Development and Financial Plans

The owner of the property is 4 Site Investments, LLC (Schedule Number 4200000396). Preparation of the Districts' supporting documentation was provided by the Districts' organizers. The Developer of the Grandview Reserve Property is 4 Site Investments, LLC. Cost estimates for the proposed public improvements were generated by Developer representatives, with the assistance of consultants JDS-Hydro Consultants, Inc. and HR Green, Inc., who have experience in the completion of similar improvements. It should be noted, though, that such costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs may be significantly higher. To demonstrate the Districts' ability to finance the public improvement portion of costs of the project, a financial plan is attached to the Service Plan as Exhibit D. This financial plan and the cost estimates provided in

Exhibit C to the Service Plan are meant to show the capacity of the Districts to issue debt. Any debt the Districts issue will be within the limitations of the text of the Service Plan.

D. Justification for District Formation in conjunction with Land Use Approval Process

The Developer is in the process of obtaining the necessary land use approvals and the Sketch Plan will be submitted prior to the hearing on the Service Plan. We are requesting that the Districts' formation be considered in conjunction with the land use approval process to avoid delay as a result of the prolonged election cycle and to ensure the public financing tools will be duly available upon approval of the land use submittals. Following approval of the land use submittals and consistent with the proposed Service Plan, the Developer and the Districts intend to work with applicable service providers to obtain the necessary consents and/or approvals (as necessary) for the provision of necessary public services to the Districts including, but not limited to, wastewater/sewer and fire protection services. It is anticipated that the Districts will cooperate with the applicable fire district in regard to placement and construction of a fire station. Additionally, the Developer and the Districts intend to coordinate the completion of the necessary public improvements in compliance with any approved development plans obtained by, or for the benefit of, the Districts.

E. Compliance with County Master Plan

The developer asserts that the initial planning of the land plan for the property within the Districts' boundaries references the El Paso County's Water Master Plan goals and implementation strategies to incorporate efficiency and conservation, especially because the area that the Districts will be located is within the Denver Basin aquifers system, Region 3 of the EPC Master Plan. The sketch land plan increases density and maximizes open space surrounding the natural tributary areas, thus decreasing irrigation consumption and discouraging individual wells. The landform grading is focused on limiting excavation within shallow ground water levels to deter groundwater surfacing and associated groundwater re-introductions. Swales will be utilized within the individual planning areas to promote groundwater recharge.

Future local wells, mostly in the Arapahoe and Laramie Fox-Hills formations, will provide water for the Grandview Reserve subdivision. Off-site wells will likely be needed (from neighboring lands owned by 4-Site Investments, LLC) for full build-out.

- The total annual water demand for 3,261 SFE's is calculated to be 1,151 AF.
- 4 Site Investments, LLC, the property owner, owns 1,400 AF of Arapahoe non-tributary water.
- The adjoining 4 Way Ranch owns 2,023 AF of Laramie-Fox Hills non-tributary water, and 1,011 AF of Arapahoe non-tributary water.
- Any additional water, should it be needed, will be derived from the 4 Way Ranch water.
- A breakdown of demand at full buildout vs. supply is below:

4 Site Water	1,400 AF
4 Way Ranch Water	3,034 AF
Total Supply	*4,434 AF*
Grandview Demand	*1,151 AF*

Potential future interconnections may be made with neighboring districts to foster conjunctive use and better accommodate water supply emergencies. All districts in this area rely on the same water, and all are required to meet CDPHE potable water regulations.

Possible water connections to other districts could be in the form of full interconnectivity (water flowing both directions, all the time) or in the form of an emergency connection (normally closed, only opened to flow one way during an emergency).

Source water will be from the Arapahoe and Laramie-Fox Hills aquifers, the deepest aquifers in the Denver Basin. This defers the use of shallower aquifers for domestic users not served by a central water system.

Outside of interconnectivity between districts in this area, a larger potential regional opportunity for water supply is Colorado Springs Utilities ("CSU"). Currently, CSU water infrastructure is less than half a mile away from water infrastructure used by neighboring districts. Inter-governmental Agreements (IGA's) would need to be executed that includes CSU and several districts (i.e., Falcon Highlands Metropolitan District, WHMD, Meridian Ranch Metropolitan District).

As with neighboring districts, the Districts will likely implement tiered water rates to help reduce water usage. In addition, multiple stages of water restrictions can be implemented during drought years and when infrastructure repairs are required (i.e., well pumps need to be replaced in the middle of the summer).

The potential of wastewater reuse (primarily for irrigation) lies with the regional wastewater treatment provider in the area – WHMD. Currently, WHMD's regional wastewater plant serves Woodmen Hills, Falcon Highlands, Paint Brush Hills, and Meridian Ranch.

If a reuse system is implemented at WHMD's facility, all contributing wastewater entities will be allowed to be "stakeholders" in development of a reuse system.

More detailed information and studies regarding quality, source water monitoring, potential MOU's within future neighboring development interconnects, strategies regarding regional planning goals and dependability/redundancy will be provided in the subsequent Preliminary Plan phase. This current application is for a Sketch Plan.

In addition to the regional water resource perspective, local efforts by the end-users will be analyzed pertaining to the following elements to help promote sustainable use of the aquifer shares that are currently allocated for the Districts:

- Plumbing systems requiring low flow fixtures meeting or exceeding standards
- Local water re-use systems
- Low impact irrigation/low flow irrigation or xeriscape
- Smart watering and usage meters
- Home-owner water conservation landscape incentives
- Climate and elevation restricted plantings
- Community-wide rain gardens and bio-retention

F. Service Plan Conformity

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

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

The purpose of the Districts is to finance and construct certain public improvements and to provide other additional services necessary to support the Grandview Reserve Property. The proposed improvements and services are not available to the community through the County or other existing quasi-municipal corporations, including special districts, within a reasonable time and on a comparable basis. Further, to develop the area, significant investment is needed in public infrastructure, including but not limited to water system improvements, sanitary sewer and storm drainage improvements, street and roadway improvements, and park and recreation improvements. Financing and constructing these improvements through the Districts will lower costs and ensure the costs are spread among those in the community that will benefit from such development.

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

The proposed improvements and services are not and will not be available to the community through the County or other existing municipality or quasi-municipal corporations, including special districts, within a reasonable time and on a comparable basis.

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

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

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

The estimated costs of the improvements and facilities to be constructed, installed, and/or acquired by the Districts are set forth in the Service Plan. The Districts will be limited to issuing debt within the confines of the Service Plan and limited to the amount the Districts can reasonably pay from the revenue derived from the debt service mill levy and other legally available revenue. In other words, the anticipated issuance of debt and repayment will be based upon the projected development within the Districts' boundaries, which will allow the Districts to finance the facilities identified in the Service Plan and allow the Districts 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;

The proposed public improvements and services the Districts will provide are not available to the area through the County or other existing municipality or quasi-municipal corporation, including special districts, within a reasonable time and on a comparable basis.

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

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

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

The developer has reviewed the County's master plan and is aware of the County's desire to, *inter alia*, encourage cooperation and planning among water service providers, to protect and preserve water supplies, and to promote water conscious developments. The developer contends that the project is compatible with the County's vision for the future and complies with the policies necessary to achieve sustainable growth within the County as expressed in the County master plan.

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

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

G. Major Service Plan Points

- Approximately 765 acres of property within the boundaries of the Districts.

- Completion of an estimated $235,000,000 of on and off-site public improvements including, but not limited to on and off-site streets, roadway, water and sanitary, stormwater and drainage, landscaping, and park and recreation improvements.

- Anticipated development of approximately 3,261 single-family residential units and 20,000 square feet of commercial development. The rate of absorption provided in the Service Plan is a projection based on information from the developer and is used for estimating the financial plan. There is no way to accurately predict absorption due to variables such as the economic factors, housing demand, land-use approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement. If absorption is delayed or accelerated, the bond issuance parameters will reflect those changes at the time of issuance.

- The estimated initial assessed value at time of complete build-out is $92,775,163 (based upon an estimated initial market value at time of complete build-out of $1,277,275,000 multiplied by 7.15% for the residential property and $5,000,000 multiplied by 29% for the commercial property).

- The initial estimated cost of the public improvements needed for the project is $235,000,000. The foregoing estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs.

- Public Improvements need additional financing from the Districts to complete.

- Debt is proposed to be issued in one or more series of bond issuances to allow for financing of constructed infrastructure and expedient completion of the overall project.

- Residential Districts: Each residential district will have a Maximum Mill Levy of 60 mills inclusive of debt (50 mills) and operations and administration (10 mills).

- Commercial Districts: Each commercial district will have a Maximum Mill Levy of 45 mills inclusive of debt (35 mills) and operations and administration (10 mills).

- Total current projected mill levy of 50 mills for debt and 10 mills for operations and maintenance for residential districts and 35 mills for debt and 10 mills for operations and maintenance for commercial districts allow for financing of approximately $120,100,000 based upon initial estimates.

- Requested Debt Authorization of $250,000,000 allows for contingencies and financing variations based upon changes to construction costs, development build out and absorption of the project.

- Maximum voted interest rate of 12%, maximum underwriting discount of 5%.
- Metropolitan district powers allowed by the Special District Act and consistent with other El Paso County metropolitan districts.
- Formation Election after approval of the Service Plan in November 2020.
- There are no current residents within the Districts and no debt or bonds have been issued.
- Mill levies, interest rate limitations, term limitations and underwriting discounts will be consistent with the present County imposed limitations with other service plans approved by the County.
- Maximum term of any bond issue is 30 years for General Obligation Bonds. The example financial pro forma attached to the Service Plan anticipates an initial bond issuance in 2021 with a 30 year term and then a refinance in 2031, which extends the term to 2061. This structure accommodates any significant drop in assessed valuation and other unknown circumstances. Any bonds the Districts issue will have 30 year terms with the ability to extend to 40 if necessary. If bonds are issued in the early part of a project as proposed, the interest rate is generally higher due to the reliance on future projected development. As that development is completed, there is less risk to the bond holders and the initial bonds are refunded and replaced with lower interest rate "permanent" bonds in order to lower the tax impact on residents. This is a common structure for new development bonds.

H. Conclusion

The Grandview Reserve Metropolitan District Nos. 1 - 5 Service Plan will serve the best interests of the taxpayers, property owners and development of the property within the Grandview Reserve Property, will minimize non-interested party obligations, and will maximize both development and absorption within the Districts and County without delays in development. The formation of the Districts will allow for financing and development to pay for only those improvements and costs which are a direct benefit to the property within the Districts.

Sincerely,
SPENCER FANE LLP

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

GRANDVIEW RESERVE
METROPOLITAN DISTRICT NOS. 1 - 5

EL PASO COUNTY, COLORADO

Date: August 19, 2020

SERVICE PLAN

FOR

GRANDVIEW RESERVE

METROPOLITAN DISTRICT NOS. 1 - 5

Prepared by:

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

DRAFT: August 19, 2020

Applicant

Developer:

4 Site Investments, LLC
Attention: Paul Howard, Manager
1271 Kelly Johnson Boulevard, Suite 100
Colorado Springs, CO 80920

Proposed Initial Directors:

—
—
—
—
—

Consultants:

- Engineers – JDS-Hydro Consultants, Inc. and HR Green, Inc.
- Underwriter – D.A. Davidson- Brooke Hutchens

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   - -Legal Description

B. Development Summary

C. Infrastructure Capital Costs

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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:	Grandview Reserve Metropolitan District Nos. 1 - 5
Property Owner:	4 Site Investments, LLC (Schedule Number 4200000396)
Developer:	4 Site Investments, LLC
Description of Development:	The boundaries of the proposed Districts consist of approximately 765 acres of land located northwest of Highway 24, east of Eastonville Road, south of Latigo Boulevard, and north of Stapleton Road in El Paso County. Approximately 581 acres within the proposed Districts' boundaries are anticipated to consist of approximately 272 single family homes with an average value of $575,000, approximately 2,989 single family homes with an average value of $375,000, approximately 17 acres are anticipated to consist of commercial development, and approximately 146 acres are anticipated to be utilized for open space, a church site, and a school site (see Page 4 of the financial plan provided as part of Exhibit D). The number of anticipated homes and the amount of commercial square footage remain estimates and may be altered depending on the final outcome of the development approval process. At this stage, it is anticipated that all developed residential lots will be subject to the same mill levies based upon the overall services to be provided to the development as a whole and all developed commercial properties will be subject to the same mill levies based upon the overall services to be provided to the development.
Proposed Improvements to be Financed:	Proposed completion of an estimated $235,000,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, stormwater and drainage, landscaping, and park and recreation improvements. The foregoing cost estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of the Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall development costs.

Proposed Ongoing Services:	The Developer and the proposed Districts intend to work with existing overlapping service providers to obtain the necessary consents and/or approvals for the provision of necessary services to the Districts including, but not limited to, water, streets, drainage, and parks and recreation. Because the overall development remains in its infancy, the specific services and potential overlapping service providers have yet to be determined. Based on current information, it is anticipated that the Districts will ultimately utilize other service providers to provide wastewater and fire protection services once the necessary improvements are constructed. More information can be provided once determined and known. Additionally, the proposed Districts shall have the power and authority to provide other services as authorized under the Special District Act including, but not limited to, mosquito control, television relay and translation, covenant enforcement and design review, and security services.
Infrastructure Capital Costs:	Approximately $235,000,000
Maximum Debt Authorization:	$250,000,000 (combined for all Districts)
Proposed Maximum Debt Mill Levy:	50 Mills – for each residential district 35 Mills – for each commercial district
Proposed Maximum O & M Mill Levy:	10 Mills for each district
Proposed Special Purpose Mill Levy:	A special purpose mill levy is not anticipated at this time.
Proposed Maximum Mill Levies:	Residential districts: 60 Mills inclusive of debt (up to 50 mills for residential districts) and operations and maintenance (10 mills) for each district Commercial districts: 45 inclusive of debt (up to 35 mills for commercial districts) and operations and maintenance (10 mills) for each district
Proposed Fees:	None anticipated at this time.

II. DEFINITIONS

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

Additional Inclusion Areas: means the property described in Section J of Article III.

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

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

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

Commercial District: means District No. 5, containing property classified for assessment as nonresidential.

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.

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

District No. 2: means the Grandview Reserve Metropolitan District No. 2.

District No. 3: means the Grandview Reserve Metropolitan District No. 3.

District No. 4: means the Grandview Reserve Metropolitan District No. 4.

District No. 5: means the Grandview Reserve Metropolitan District No. 5.

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. 2 - 5, 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 or Maximum Operational Mill Levy intended to offset the effect of adjustments to the ratio between market value and assessed value of taxable property within the applicable District that would cause a reduction in the revenue otherwise produced from such Maximums based on the ratio between market value and assessed value as of January 1 in the year in which the applicable District's organizational election is held.

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

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

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

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

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

$250,000,000.

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

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

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

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

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

Residential Districts: District Nos. 1-4, inclusive, containing property classified for assessment as residential.

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

Service Plan: means this Service Plan for the Districts.

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

State: means the State of Colorado.

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

III. INTRODUCTION

A. Overall Purpose and Intent.

The Districts will be created pursuant to the Special District Act, and are being created with a 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, as defined herein, necessary and appropriate for the development of a project within the unincorporated County to be known as "Grandview Reserve" (the "Project"). The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants, property owners and taxpayers of the Districts. Offsite Public Improvements will also benefit regional users. The primary purpose of the Districts will be to finance the construction of these Public Improvements. Additional major purposes may include covenant enforcement, design review and park and recreation purposes.

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. 2 - 5 are proposed to be the Financing Districts, and are expected to include residential and/or commercial development that (in coordination with District No. 1) will produce the required revenue to fund the Public Improvements and any operations and maintenance costs.

B. Need For The Districts.

There is a need for creation of the Districts. A multiple district structure has been chosen to account for the project to be developed in multiple phases. The phasing of development will allow for more efficient financing for the overall project. As further explanation, the Districts will serve a large project with significant infrastructure and phasing will require multiple districts to accommodate any delay in development and for a coordinated approach to infrastructure financing. The multiple district structure also allows bonding to be done in the most efficient manner by segregating the bonds to completed portions of the development instead of being forced to issue bonds early in the project. There are currently no other governmental entities, including the County, located in the immediate vicinity of the Districts that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. It is acknowledged that the Districts are located in the vicinity of 4-Way Ranch Metropolitan District No. 2 ("4-Way Ranch") and Woodmen Hills Metropolitan District ("Woodmen Hills"). It is not feasible, however, for the property to be included into either 4-Way Ranch or Woodmen Hills and receive the support it needs for development. The Board of Directors of 4-Way Ranch determined that it is unable to provide or finance the necessary infrastructure for the development. Further, Woodmen Hills is unable to finance and provide necessary water and sanitation system infrastructure internal to the development. Based on the foregoing, formation of the Districts is necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible. It is anticipated that the Districts will construct or cause to be constructed the sanitary sewer infrastructure needed for the Project and

will dedicate such infrastructure to Woodmen Hills for operation and maintenance.

C. County Objectives In Forming The Districts.

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

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

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

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. In addition, the multiple district structure will support the phased development of the Project, as well as the designation of the residential and commercial development among the Districts.

District No. 1 is expected to be responsible for managing the construction, acquisition, installation and operation of the Public Improvements. The Financing Districts (District Nos. 2 through 5) 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. It is anticipated that the District Nos. 2-4 (Residential Districts) will consist primarily of residential units and the commercial uses will be located in District No. 5 (Commercial District). 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 an aesthetic and economic asset to the County.

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

a. Coordinated Services. As presently planned, development of the Project will proceed in phases, which will require the extension of public services and facilities. The multiple district structure will assure that the construction and operation of each phase of Public Improvements, including Public Improvements such as parks, channels, and drainage, 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 or other governmental entity, 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.

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

E. Specific Purposes - Facilities and Services.

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

1. Water. The Districts shall have the power and authority to finance, design,

construct, acquire, install, maintain, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. The Districts shall have the power and authority to contract with other private or governmental entities to provide any or all of the services the Districts are authorized or empowered to provide. To the extent necessary, the Districts shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations.

It is anticipated that the Districts will provide water services to the property within the Districts' boundaries. The initial planning of the land plan for the property within the Districts' boundaries references the County's Master Plan goals and implementation strategies to incorporate efficiency and conservation. The sketch land plan that will be submitted to the County increases density and maximizes open space surrounding the natural tributary areas, thus decreasing irrigation consumption and discouraging individual wells. The landform grading is focused on limiting excavation within shallow ground water levels to deter ground water surfacing and associated groundwater re-introductions. Swales will be utilized within the individual planning areas to promote groundwater recharge. Future local wells, mostly in the Arapahoe and Laramie Fox-Hills formations, will provide water for the property located within the District. It is anticipated that off-site wells will likely be needed (from neighboring lands owned by the Developer) for full build-out. In addition, potential future interconnections may be made with neighboring districts and service providers. Finally, the Districts will implement strategies to reduce water usage, including tiered water rates, multiple stages of water restrictions, and end-user sustainability practices.

2. Sanitation. The Districts shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the Districts shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations. It is anticipated that Woodmen Hills Metropolitan District will provide sanitation services to the property within the Districts' boundaries. The Districts may enter into an intergovernmental agreement with Woodmen Hills Metropolitan District to govern this relationship.

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

improvements, except underground utilities, will be dedicated by the Districts to the County upon completion and, following acceptance by the County, the County will own, operation and maintain such street improvements.

4. Drainage. The Districts shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the Districts shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations. It is anticipated that the Districts will maintain drainageways, detention and water quality facilities, unless and until the County develops a stormwater maintenance district, division, or other entity.

5. Parks and Recreation. The Districts shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, landscaping, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, picnic areas, common area landscaping, streetscaping, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. To the extent necessary, the Districts shall dedicate any necessary improvements to one or more governmental entities that provide service ("Provider Jurisdiction") in accordance with the Provider Jurisdiction rules and regulations. It is anticipated that the Districts will own, operate, and maintain the park and recreation improvements and facilities.

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

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

7. Fire Protection. The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the applicable Fire District. The authority to plan for, design, acquire, construct, install, relocate,

redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision. It is anticipated that the Districts will cooperate with the applicable Fire District in regard to placement and construction of a fire station.

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

9. Covenant Enforcement and Design Review. The Districts shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as it may be amended from time to time, which addresses covenant enforcement and design review services as additional powers of a metropolitan district under certain circumstances. If utilized, the covenant enforcement and design review powers will be coordinated through District No. 1 on behalf of all of the Districts pursuant to a Inter-District Intergovernmental Agreement to be executed by the Districts.

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

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

12. General. Because the overall development remains in its infancy, the specific services and potential overlapping service providers have yet to be determined. Based on current information, it is anticipated that the Districts will ultimately utilize other service providers to provide wastewater and fire protection services once the necessary improvements have been constructed. More information can be provided once determined and known. Further, to the extent any of the above referenced facilities, improvements and services are dedicated and accepted by the County, the County shall own, operate and maintain such accepted facilities and related improvements. The Districts shall be authorized to own, operate and maintain any facilities, improvements and appurtenances not otherwise dedicated to and accepted by any Provider Jurisdiction, subject to any applicable County rules and regulations.

F. Other Powers.

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

2. Authority to Modify Implementation of Financing Plan and Public

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

G. Other Statutory Powers.

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

H. Eminent Domain.

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

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

I. Intergovernmental Agreements (IGAs).

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

J. Description Of Proposed Boundaries And Service Area.

1. Initial District Boundaries. A vicinity map showing the general location of the area that may be served by the Districts is included as part of **Exhibit A**. A map of the initially included properties is included as part of **Exhibit A**, with a legal description of boundaries also found as part of **Exhibit A**.

2. Additional Inclusion Areas/Boundary Adjustments. Additional inclusion areas are not anticipated in addition to the initially included properties or outside of the Project. The Districts shall be authorized to include territory in accordance with applicable provisions of the

Special District Act. Further, in order to accommodate the needs of Project phasing and other contingencies, the boundaries of the Districts may be adjusted via the inclusion or exclusion within the combined area of the Initial District Boundaries in accordance with the applicable provisions of the Special District Act. Notwithstanding the foregoing, the Districts are prohibited from including additional property within the Districts' boundaries if the property is within the corporate limits of the City of Colorado Springs without express prior consent of the City of Colorado Springs.

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

4. Analysis Of Alternatives. It is anticipated that the Districts, collectively, will undertake the financing and construction of the improvements contemplated herein. Specifically, the Districts shall enter into an intergovernmental agreement which shall govern the relationships between and among the Districts with respect to the financing, construction and operation of the improvements contemplated herein. The multiple district structure will support the phased development of the Project, as well as the fact that although the Financing Districts will consist primarily of residential units, the limited commercial development will be located in one or more of the Financing Districts. The Districts will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements. As stated above, neither the County nor any other public entity, including 4-Way Ranch Metropolitan District and Woodmen Hills Metropolitan District, is available or willing to provide the Public Improvements required.

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

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

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

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

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

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

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

IV. DEVELOPMENT ANALYSIS

A. Existing Developed Conditions.

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

B. Total Development At Project Buildout.

At complete Project build-out, development within the Districts is planned to consist of approximately 272 single family homes, with values of homes expected to average $575,000 in year 2020 dollars; approximately 2,989 single family homes, with values of homes expected to average $375,000 in year 2020 dollars; and approximately 20,000 square feet of commercial development (see Page 4 of the financial plan information provided as part of Exhibit D). The total estimated population of the Districts upon completion of the residential development is 8,153 people (3,261 residential units x 2.5 persons per residential unit). The rate of absorption is a projection based on information from the Developer and is used for estimating the financial plan. There is no way to accurately predict absorption due to variables such as the economic factors, housing demand, land-use approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement. If absorption is delayed or accelerated, the bond issuance parameters will reflect those changes at the time of issuance.

C. Development Phasing And Absorption.

Absorption of the project is projected to take approximately eight (8) years, estimated to begin in 2021 (year) and end in 2028 (year) and is further described in the Development Summary Table found at **Exhibit B**.

D. Status of Underlying Land Use Approvals.

The underlying land use approval process is progressing and the Sketch Plan will be submitted prior to the hearing on this Service Plan. The underlying land use submittal will align with the development plan as provided herein and the County's Master Plan. It is requested that the service plan approval process proceed in conjunction with the land use approval process in order to avoid delays from the prolonged election cycle and therefore assure the public financing tools are available to fund the project. Further, if the organizational and debt election occurs this November, future purchasers will receive disclosure of the existence of the Districts. As such, approval of the Districts at this stage will facilitate the planning, implementation and financing of the engineering, design, intergovernmental agreements and other related activities necessary for this project to move forward.

V. INFRASTRUCTURE SUMMARY

Attached as **Exhibit C** is a summary of the estimated costs of Public Improvements which are anticipated to be required within these Districts. 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 $235,000,000 in year 2020 dollars. It should be noted, though, the foregoing costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of the Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs. It is estimated that the Districts will finance up to approximately $120,100,000, but the amount ultimately financed by the Districts will be subject to the Maximum Authorized Debt limit.

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

VI. FINANCIAL PLAN SUMMARY.

A. Financial Plan Assumptions and Debt Capacity Model.

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

B. Maximum Authorized Debt.

The Districts are authorized to issue Debt up to $250,000,000 in principal amount (total combined for all Districts). The debt issuance authorization is based upon the proposed completion of an estimated $235,000,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, stormwater and drainage, and park and recreation improvements. The cost estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, the initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) which may well be significantly higher and will likely materially increase the overall development costs.

C. Maximum Mill Levies.

1. Maximum Debt Service Mill Levy. The Maximum Debt Service Mill Levy shall be fifty (50) mills, subject to Gallagher Adjustment, for each residential district and shall be thirty five (35) mills, subject to Gallagher Adjustment, for each commercial district. All Debt issued by the Districts must be issued in compliance with the requirements of State law including, but not limited to, Section 32-1-1101, C.R.S., as it may be amended from time to time, which outlines the various financial powers of a special district.

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

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

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

D. Maximum Maturity Period For Debt.

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

E. Developer Funding Agreements.

The Developer intends 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 their capital costs and monthly operations and maintenance expenses. The Developer may fund these obligations for the Districts to promote the Project's development subject to the Developer being repaid from future District revenues.

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

prime interest rate plus two points thereon.

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

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

F. Privately Placed Debt Limitation.

Prior to the issuance of any privately placed Debt, the District proposing such issuance shall obtain the certification of an External Financial Advisor substantially as follows: We are [I am] an External Financial Advisor within the meaning of this Service Plan.

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

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

VII. OVERLAPPING TAXING ENTITIES, NEIGHBORING JURISDICTIONS

A. Overlapping Taxing Entities.

The directly overlapping taxing entities and their respective year 2019 mill levies are as follows:

El Paso County	.007222
El Paso County Road and Bridge	.000330
Peyton School District No. 23	.030469
Pikes Peak Library District	.003731
Falcon Fire Protection District	.014486
Upper Black Squirrel Creek Ground Water	.001029

El Paso County Conservation	.000000
Total Existing Mill Levy:	.057667

The total mill levy including the initially proposed District's mill levy is .117667 mills.

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

B. Neighboring Jurisdictions.

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

4-WAY RANCH METROPOLITAN DISTRICT NOS. 1 & 2
BENT GRASS METROPOLITAN DISTRICT
CENTRAL COLORADO CONSERVATION DISTRICT
EL PASO COUNTY
EL PASO COUNTY CONSERVATION DISTRICT
EL PASO COUNTY PUBLIC IMPROVEMENT DISTRICT NO. 2
EL PASO COUNTY SCHOOL DISTRICT NO. 49
FALCON FIRE PROTECTION DISTRICT
FALCON REGIONAL TRANSPORTATION METROPOLITAN DISTRICT
LATIGO CREEK METROPOLITAN DISTRICT
MERIDIAN RANCH METROPOLITAN DISTRICT
MERIDIAN RANCH METROPOLITAN DISTRICT 2018 SUBDISTRICT
MERIDIAN SERVICE METROPOLITAN DISTRICT
PAINT BRUSH HILLS METROPOLITAN DISTRICT
PAINT BRUSH HILLS METROPOLITAN DISTRICT SUBDISTRICT A
PEYTON FIRE PROTECTION DISTRICT
PEYTON SCHOOL DISTRICT NO. 23
PIKES PEAK LIBRARY DISTRICT
UPPER BLACK SQUIRREL CREEK GROUNDWATER MANAGEMENT DISTRICT
WOODMEN HILLS METROPOLITAN DISTRICT
WOODMEN ROAD METROPOLITAN DISTRICT

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

VIII. DISSOLUTION

A. Consolidation. It is the intent of the Districts to consolidate or dissolve upon payment or defeasance of all Debt incurred, as well as when the Districts have been fully developed, all public improvements provided for in the Service Plan have been completed, or upon a court determination

that adequate provision has been made for the payment of all Debt, and adequate provision for continuation or assignment and assumption of all operations and maintenance responsibilities for the District improvements and at such time as the District(s) do not need to remain in existence to discharge their financial obligations or perform their services.

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

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

IX. COMPLIANCE

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

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

X. MISCELLANEOUS.

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

A. Special District Act.

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

B. Disclosure to Prospective Purchasers.

After formation of the Districts, and in conjunction with final platting of any properties within a particular District, the applicable Board of Directors of the District shall prepare a notice acceptable to the Planning and Community Development Department Staff informing all purchasers of property within the District of the District's existence, purpose and debt, taxing, and other revenue-raising powers and limitations. Such notice obligation shall be deemed satisfied by recording the notice with this Service Plan and each final plat associated with the Project, or by such other means as the Planning and Community Development Department approves. Such notice shall be modified to address the potential for future Debt issuance which may be required

to meet the obligations associated with loans incurred by the District. Additionally, the notice shall disclose the limited representation elements associated with the Control District/Financing District structure. In conjunction with subsequent plat recordings, Planning and Community Development Department Staff is authorized to administratively approve updates of the disclosure form to reflect current information.

C. Local Improvements.

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

D. Service Plan not a Contract.

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

E. Land Use and Development Approvals.

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

XI. CONCLUSION

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

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

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

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

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

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

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

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

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

EXHIBIT A

MAPS AND LEGAL DESCRIPTIONS

-Vicinity Map
-Boundary Exhibit
-5-Mile Radius Map
-Legal Description

EXHIBIT A – VICINITY MAP

HRGreen

HRGreen.com

GRANDVIEW

NEAR VICINITY MAP

SHEET

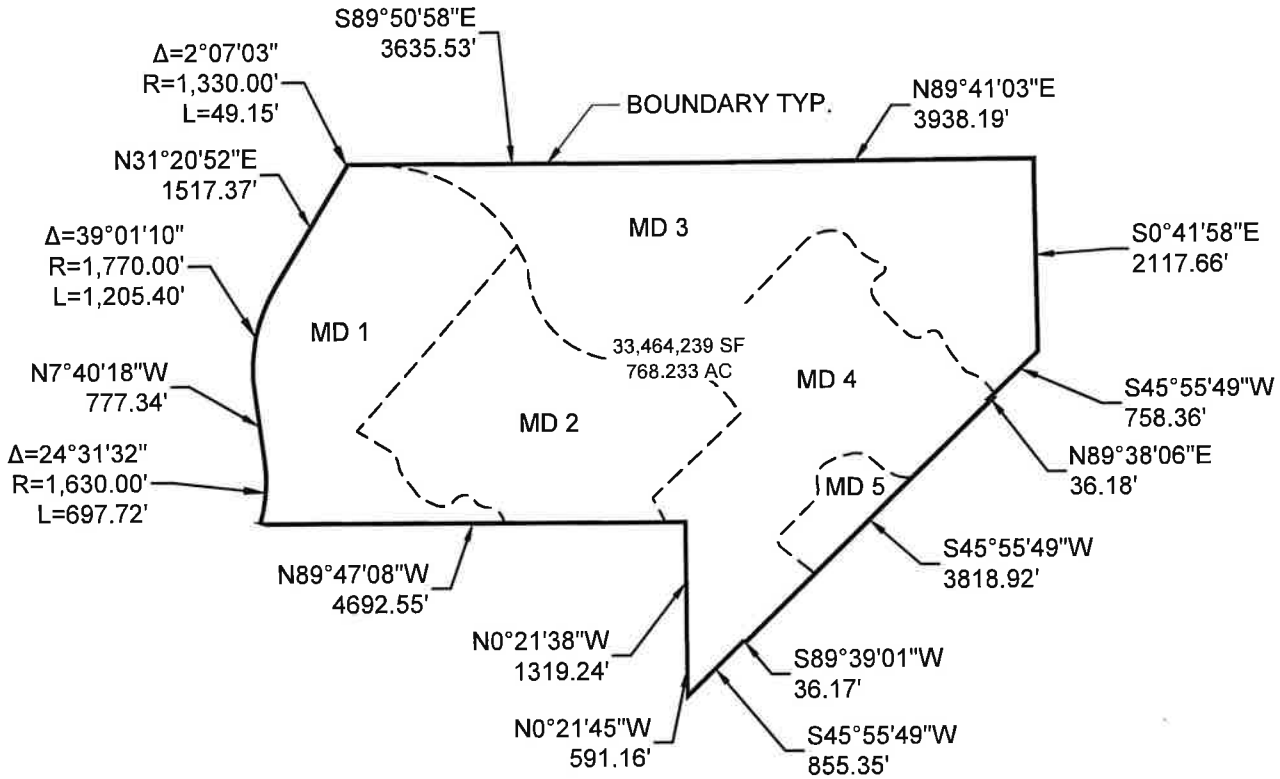
4

SCALE: 1" = 5000'

DATE: 04/01/2020

Xrefs: 01-DV-CONCEPT; xgt-1-AV01

EXHIBIT A – BOUNDARY EXHIBIT



LEGEND

DISTRICT BOUNDARY

GRANDVIEW RESERVE METRO
DISTRICT NUMBERS 1-5
MD X

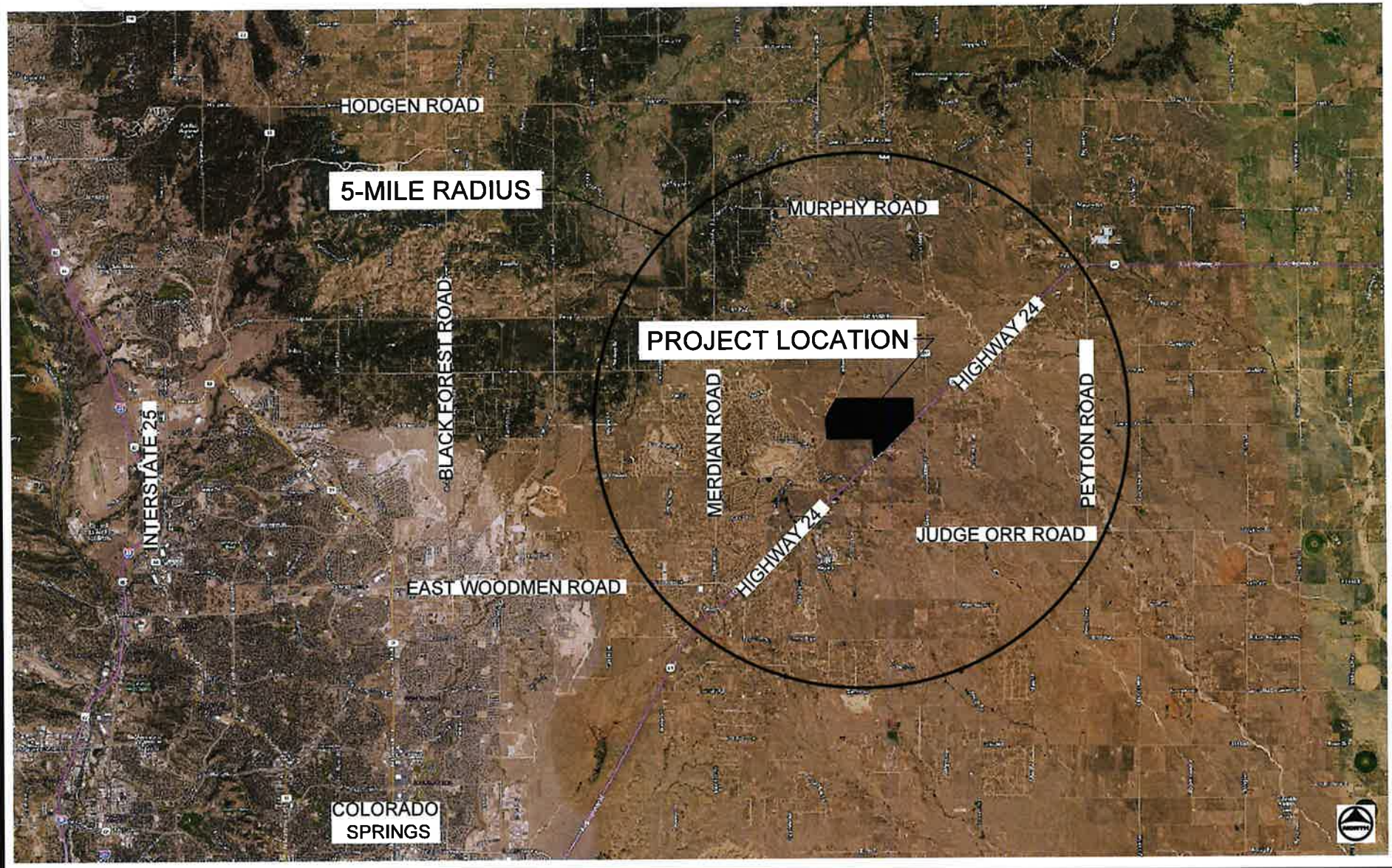
HRGreen HRGreen.com

GRANDVIEW RESERVE
METROPOLITAN DISTRICT
INITIAL DISTRICT BOUNDARY

SHEET
2
SCALE: 1" = 2000'
DATE: 04/01/2020

Xrefs: 01-DV-CONCEPT; xgt-1-AV01

EXHIBIT A – 5-MILE RADIUS MAP



HRGreen

HRGreen.com

GRANDVIEW RESERVE
METROPOLITAN DISTRICT
VICINITY MAP

SHEET
3

SCALE:1" = 2.5 mi
DATE: 04/01/2020

Xrefs: 01-DV-CONCEPT; xgt-1-AV01

EXHIBIT A – LEGAL DESCRIPTION

GRANDVIEW RESERVE METROPOLITAN DISTRICT NOS. 1-5
LEGAL DESCRIPTION

A TRACT OF LAND BEING A PORTION OF THE SOUTH HALF OF SECTION 21, THE SOUTH HALF OF SECTION 22, THE NORTH HALF OF SECTION 28 AND SECTION 27, TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, BEING DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE EAST LINE OF SECTION 21, BEING MONUMENTED AT THE SOUTHEAST CORNER BY A 3-1/4" ALUMINUM SURVEYOR'S CAP STAMPED "PS INC PLS 30087 1996", BEING APPROPRIATELY MARKED, AND BEING MONUMENTED AT THE NORTHEAST CORNER BY A 3-1/4" ALUMINUM SURVEYOR'S CAP STAMPED "PS INC PLS 30087 1996", BEING APPROPRIATELY MARKED, BEING ASSUMED TO BEAR NORTH 00 DEGREES 52 MINUTES 26 SECONDS WEST, A DISTANCE OF 5290.17 FEET.

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 21; THENCE NORTH 00 DEGREES 52 MINUTES 26 SECONDS WEST ON THE EAST LINE OF SAID SECTION, A DISTANCE OF 2645.09 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 21, SAID POINT BEING THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 41 MINUTES 03 SECONDS EAST ON THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 22, A DISTANCE OF 3938.20 FEET; THENCE SOUTH 00 DEGREES 41 MINUTES 58 SECONDS EAST ON THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 22, A DISTANCE OF 2117.66 FEET TO A POINT ON THE NORTHWESTERLY RIGHT OF WAY LINE OF THE ROCK ISLAND REGIONAL TRAIL AS GRANTED TO EL PASO COUNTY IN THAT WARRANTY DEED RECORDED OCTOBER 21, 1994 IN BOOK 6548 AT PAGE 892, RECORDS OF EL PASO COUNTY, COLORADO; THENCE ON SAID NORTHWESTERLY RIGHT OF WAY, THE FOLLOWING FIVE (5) COURSES:

(1) SOUTH 45 DEGREES 55 MINUTES 49 SECONDS WEST, A DISTANCE OF 758.36 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22;
(2) NORTH 89 DEGREES 38 MINUTES 06 SECONDS EAST ON SAID SOUTH LINE, A DISTANCE OF 36.18 FEET;
(3) SOUTH 45 DEGREES 55 MINUTES 49 SECONDS WEST, A DISTANCE OF 3818.92 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 27;
(4) SOUTH 89 DEGREES 39 MINUTES 01 SECONDS WEST ON SAID NORTH LINE, A DISTANCE OF 36.17 FEET;
(5) SOUTH 45 DEGREES 55 MINUTES 49 SECONDS WEST, A DISTANCE OF 855.35 FEET TO A POINT ON THE EASTERLY LINE OF SAID SECTION 28;

THENCE NORTH 00 DEGREES 21 MINUTES 45 SECONDS WEST ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 591.16 FEET TO THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE NORTH 00 DEGREES 21 MINUTES 38 SECONDS WEST ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1319.24 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28; THENCE NORTH 89 DEGREES 47 MINUTES 08 SECONDS WEST ON SAID SOUTH LINE, A DISTANCE OF 4692.55 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF EXISTING EASTONVILLE ROAD (60.00 FOOT WIDE); THENCE ON SAID EASTERLY RIGHT OF WAY AS DEFINED BY CERTIFIED BOUNDARY SURVEY, AS RECORDED JULY 18, 2001 UNDER RECEPTION NO. 201900096, THE FOLLOWING FIVE (5) COURSES:

(1) ON THE ARC OF A CURVE TO THE LEFT, WHOSE CENTER BEARS NORTH 04 DEGREES 31 MINUTES 28 SECONDS EAST, HAVING A DELTA OF 24 DEGREES 31 MINUTES 32 SECONDS, A RADIUS OF 1630.00 FEET, A DISTANCE OF 697.73 FEET TO A POINT OF TANGENT;
(2) NORTH 07 DEGREES 40 MINUTES 18 SECONDS WEST, A DISTANCE OF 777.34 FEET TO A POINT OF CURVE;
(3) ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 39 DEGREES 01 MINUTES 10 SECONDS, A RADIUS OF 1770.00 FEET, A DISTANCE OF 1205.40 FEET TO A POINT OF TANGENT;
(4) NORTH 31 DEGREES 20 MINUTES 52 SECONDS EAST, A DISTANCE OF 1517.37 FEET TO A POINT OF CURVE;
(5) ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 02 DEGREES 07 MINUTES 03 SECONDS, A RADIUS OF 1330.00 FEET, A DISTANCE OF 49.15 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 21;

THENCE SOUTH 89 DEGREES 50 MINUTES 58 SECONDS EAST ON SAID NORTH LINE, A DISTANCE OF 3635.53 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION CONVEYED IN DEED RECORDED AUGUST 24, 2005 AT RECEPTION NO. 205132124;

AND EXCEPT A PORTION OF THE NORTHWEST QUARTER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE NORTHERLY LINE OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE NORTHWEST CORNER AND THE NORTHEAST CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "PS INC 1996 PLS 30087", BEING ASSUMED TO BEAR SOUTH 89 DEGREES 47 MINUTES 04 SECONDS EAST A DISTANCE OF 5285.07 FEET.

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 28; THENCE SOUTH 29 DEGREES 17 MINUTES 14 SECONDS EAST, A [DDO 1315.12 FEET TO THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 58 MINUTES 12 SECONDS EAST, A DISTANCE OF 288.62 FEET; THENCE SOUTH 41 DEGREES 03 MINUTES 22 SECONDS WEST, A DISTANCE OF 139.03 FEET; THENCE SOUTH 41 DEGREES 52 MINUTES 38 SECONDS WEST, A DISTANCE OF 21.11 FEET; THENCE SOUTH 44 DEGREES 47 MINUTES 01 SECONDS WEST, A DISTANCE OF 42.37 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 08 SECONDS EAST, A DISTANCE OF 679.35 FEET; THENCE SOUTH 00 DEGREES 12 MINUTES 52 SECONDS WEST, A DISTANCE OF 25.00 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28; THENCE NORTH 89 DEGREES 47 MINUTES 08 SECONDS WEST AND ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28, A DISTANCE OF 934.84 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF EASTONVILLE ROAD AS RECORDED IN THE EL PASO COUNTY RECORDS JULY 18, 2001 UNDER RECEPTION NO. 201900096, SAID POINT BEING A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS NORTH 73 DEGREES 08 MINUTES 46 SECONDS WEST HAVING A DELTA OF 06 DEGREES 19 MINUTES 02 SECONDS, A RADIUS OF 1630.00 FEET, A DISTANCE OF 179.72 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

DEVELOPMENT SUMMARY

Approximately 272 single family homes are anticipated to be developed with values of homes expected to average $575,000; approximately 2,989 single family homes are anticipated to be developed with values of homes expected to average $375,000 in year 2020 dollars; and approximately 20,000 square feet of commercial property is anticipated to be developed. It is anticipated that construction will begin in 2021 and the project will be completely developed at the end of 2028. The number of anticipated homes and the amount of commercial square footage remain estimates and may be altered depending on the final outcome of the development approval process. Further, the rate of absorption is a projected based on information from the developer and is used for estimating the Financial Plan. There is no way to accurately predict absorption due to variables such as the economic factors, housing demand, land-use approval timing, building supply chains, and labor availability. In view of these factors, the bond underwriter projects the potential ability of the Districts to discharge the proposed debt per the statutory requirement. If absorption is delayed or accelerated, the bond issuance parameters will reflect those changes at the time of issuance. As noted in the Financial Plan contained in **Exhibit D**, it is currently estimated that 408 total residential units will be added each year beginning in 2021 through 2027, 405 total residential units will be added in 2028, and 10,000 square feet of commercial property will be added in 2025 and another 10,000 square feet in 2026. Regarding public improvements, overall costs of approximately $235,000,000 are currently anticipated, as outlined in **Exhibit C**. The current cost estimates include, but are not limited to, planning, permitting, and professional consulting costs in excess of $35,000,000; water, sanitary sewer, and related drainage costs in excess of $80,000,000; road, street and related improvements costs in excess of $78,700,000; and landscaping costs in excess of $24,300,000. The contemplated on and off-site public improvements include, but are not limited to, on and off-site streets, roadway, water and sanitary sewer, stormwater and drainage, landscaping, and park and recreation improvements. As noted in the Service Plan, the cost estimates remain preliminary in nature and the ultimate costs may be altered depending on numerous factors, many of which are out of Developer's control. In particular, the initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) could be significantly higher which would result in a material increase in the overall development costs. Given current demand and shortfall within the County and Colorado Springs area, the absorption rate was deemed reasonable. The infrastructure and financing plans will be adjusted accordingly if there are delays in the build-out.

EXHIBIT C

ESTIMATED INFRASTRUCTURE CAPITAL COSTS

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

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

Grandview Reserve Metropolitan District Improvements
Districts 1-5
Engineers Opinion of Probably Construction Costs

INFRASTRUCTURE COSTS	TOTAL
PUBLIC ROADWAY AND SITE IMPROVEMENTS	
ARTERIAL (URBAN MINOR 4-LANE)	$ 3,777,433
COLLECTOR (URBAN RESIDENTIAL)	$ 1,344,456
LOCAL (URBAN)	$ 1,078,298
LOCAL (LOW VOLUME)	$ 33,904,432
SITE (GRADING, WALLS, STORM SEWER, EROSION CONTROL, DEMOLITION)	$ 17,892,567
DETENTION/WATER QUALITY POND	$ 20,481,600
COMMON LANDSCAPING	$ 24,348,653
UTILITY	
POTABLE WATER	$ 30,827,118
NON-POTABLE WATER	$ 15,763,905
SANITARY SEWER	$ 32,790,135
DRY UTILITIES	Not Included
SUBTOTAL COST:	$ 182,208,597
CONTINGENCY (10%):	$ 18,220,860
SUBTOTAL:	**$ 200,429,456**
SOFT COSTS	
CIVIL ENGINEERING	$ 10,021,473
LAND PLANNING/LANDSCAPE DESIGN	$ 4,008,589
SURVEY/CONSTRUCTION STAKING	$ 4,008,589
GEOTECHNICAL ENGINEERING	$ 501,074
ENVIRONMENTAL ENGINEERING	$ 350,752
TRAFFIC/TRANSPORTATION ENGINEERING	$ 1,503,221
TAP FEES	
SCHOOL/PARK/TRANSPORTATION IMPACT FEES ($NA/LOT)	
CONSTRUCTION MANAGEMENT	$ 3,006,442
ENTITLEMENTS/INSPECTION	$ 1,202,577
MOBILIZATION	$ 1,002,147
PERMITS	$ 801,718
WARRANTY	$ 4,008,589
LETTER OF CREDIT	$ 1,002,147
SUBTOTAL COST:	$ 31,417,317
CONTINGENCY (10%):	$ 3,141,732
SUBTOTAL:	**$ 34,559,049**
ESTIMATED TOTAL COST:	**$ 234,988,505**

Due to the Engineer has no control over the cost of labor, materials or equipment, or over the Contractor's method of determining prices, or over competitive bidding or market conditions, his opinions of probable construction cost provided for herein are made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry. However, the Engineer cannot and does not guarantee that proposal, bids, or the construction cost will not vary from opinions of probable cost prepared by him.

Grandview Reserve Metropolitan District Improvements
Districts 1-5
POTABLE WATER

SUMMARY TABLE	TOTAL
POTABLE WATER DISTRIBUTION (ON-SITE)	$ 30,827,118
POTABLE WATER (OFF-SITE)	$ -
SUBTOTAL COST:	$ 30,827,118

POTABLE WATER DISTRIBUTION (ON-SITE)				
8" AIR RELEASE VALVE	9	EA	$ 8,750.00	$ 78,980.56
1" COPPER WATER SERVICE	12	EA	$ 3,500.00	$ 42,000.00
8" x 8" CROSS	361	EA	$ 1,500.00	$ 541,581.00
12" x 8" CROSS	3	EA	$ 1,750.00	$ 4,633.30
8" 11.25 DEGREE BEND	361	EA	$ 675.00	$ 243,711.45
8" 22.5 DEGREE BEND	361	EA	$ 675.00	$ 243,711.45
8" WATER MAIN 45 DEGREE BEND	361	EA	$ 675.00	$ 243,711.45
8" 90 DEGREE BEND	361	EA	$ 675.00	$ 243,711.45
12" FITTINGS	132	EA	$ 950.00	$ 125,761.00
1.5" IRRIGATION TAP & METER PIT	25	EA	$ 4,200.00	$ 105,000.00
8" LOWERING	25	EA	$ 3,500.00	$ 87,500.00
8" MJ GATE VALVE w/ BOX & RESTRAINTS	722	EA	$ 3,000.00	$ 2,166,324.00
12" MJ GATE VALVE w/ BOX & RESTRAINTS	53	EA	$ 4,200.00	$ 222,398.40
8" PLUG w/ 2" BLOW OFF ASSEMBLY	25	EA	$ 1,950.00	$ 48,750.00
12" PLUG w/ 2" BLOWOFF ASSEMBLY	5	EA	$ 2,250.00	$ 11,250.00
8" PVC WATERMAIN C900 CL-200	180527	LF	$ 82.00	$ 14,803,214.00
12" PVC WATERMAIN C900 CL-200	13238	LF	$ 101.00	$ 1,337,038.00
8" x 12" REDUCER	3	EA	$ 800.00	$ 2,400.00
3/4" SINGLE WATER SERVICE	3261	LF	$ 1,750.00	$ 5,706,750.00
24" STEEL BORE CASING PIPE	1400	LF	$ 275.00	$ 385,000.00
12" x 12" x 12" TEE	1	EA	$ 1,750.00	$ 1,750.00
12" x 12" x 8" TEE	10	EA	$ 1,400.00	$ 14,000.00
8" x 8" x 12" TEE	10	EA	$ 1,300.00	$ 13,000.00
8" x 8" x 8" TEE	100	EA	$ 1,200.00	$ 120,000.00
AIR VAC ASSEMBLY	9	EA	$ 8,750.00	$ 78,980.56
TESTING	193765	LF	$ 1.10	$ 213,141.50
FIRE HYDRANT ASSEMBLY	194	EA	$ 7,100.00	$ 1,375,731.50
FIRE HYDRANT 6" DIP	2906	LF	$ 86.00	$ 249,956.85
FLOWFILL STREET CUT	1	LS	$ 60,000.00	$ 60,000.00
MARKER POSTS	39	EA	$ 21.00	$ 813.81
TIE INTO EXISTING	7	EA	$ 5,500.00	$ 38,500.00
TRACER WIRE	193765	LF	$ 0.35	$ 67,817.75
TRAFFIC CONTROL	1	LS	$ 250,000.00	$ 250,000.00
WATER TREATMENT PLANT	1	EA	$ 1,700,000.00	$ 1,700,000.00
			SUBTOTAL:	$ 30,827,118

POTABLE WATER (OFF-SITE)				
CONNECT TO EXISTING		EA	$ 4,000.00	$ -
			SUBTOTAL:	$ -

EA

Districts 1-5
NON-POTABLE WATER

SUMMARY TABLE	TOTAL
NON-POTABLE WATER DISTRIBUTION (ON-SITE)	$ -
NON-POTABLE WATER (OFF-SITE)	$ 15,763,905
SUBTOTAL COST:	**$ 15,763,905**

NON-POTABLE WATER DISTRIBUTION (ON-SITE)	
SUBTOTAL:	**$ -**

NON-POTABLE WATER (OFF-SITE)				
12" DUCTILE IRON PIPE	24625	LF	$ 115.00	$ 2,831,875.00
12" FITTINGS	246	EA	$ 1,200.00	$ 295,500.00
12" MJ GATE VALVE w/ BOX & RESTRAINTS	5	EA	$ 4,600.00	$ 22,655.00
12" PLUG w/ 2" BLOWOFF ASSEMBLY	2	EA	$ 2,250.00	$ 5,540.63
AIR VAC ASSEMBLY	2	EA	$ 8,750.00	$ 21,546.88
BLOW OFF VALVE	2	EA	$ 8,750.00	$ 21,546.88
CLEAR WATER & PRESSURE TEST	24625	EA	$ 1.10	$ 27,087.50
MARKER POSTS	49	EA	$ 21.00	$ 1,034.25
R & R EXISTING ASPHALT AT TIE-INS	1	LS	$ 21,000.00	$ 21,000.00
STEEL BORE CASING PIPE	1200	LF	$ 275.00	$ 330,000.00
TIE INTO EXISTING	1	EA	$ 5,500.00	$ 5,500.00
TRACER WIRE	24625	LF	$ 0.35	$ 8,618.75
TRAFFIC CONTROL	1	LS	$ 100,000.00	$ 100,000.00
VERTICAL LOWERING	15	EA	$ 4,800.00	$ 72,000.00
WELLS	8	EA	$1,500,000.00	$ 12,000,000.00
			SUBTOTAL	**$ 15,763,905**

Grandview Reserve Metropolitan District Improvements
Districts 1-5
SANITARY SEWER

SUMMARY TABLE	TOTAL
WASTEWATER COLLECTION (ON-SITE)	$ 28,394,723
WASTEWATER (OFF-SITE)	$ 4,395,412
SUBTOTAL COST:	$ 32,790,135

WASTEWATER COLLECTION (ON-SITE)				
4' DIAMETER MANHOLE	413	EA	$ 7,200.00	$ 2,972,934.00
5' DIAMETER MANHOLE	413	EA	$ 8,000.00	$ 3,303,260.00
6' DIAMETER MANHOLE	58	EA	$ 10,500.00	$ 612,546.67
8" PVC w/ BEDDING	165163	LF	$ 65.00	$ 10,735,595.00
18" PVC w/ BEDDING	26252	LF	$ 125.00	$ 3,281,500.00
8" STUBOUT	12	EA	$ 450.00	$ 5,400.00
ADD PER 8" RUN DEPTH (10'-20')	248	EA	$ 2,000.00	$ 495,489.00
ADD PER 18" RUN DEPTH (10'-20')	18	EA	$ 6,500.00	$ 113,758.67
AIR TEST MAIN	191415	LF	$ 0.85	$ 162,702.75
DEFLECTION TEST MAIN	191415	LF	$ 0.95	$ 181,844.25
EXTRA DEPTH MANHOLE	1326	VF	$ 55.00	$ 72,942.60
POTHOLING	100	HR	$ 1,500.00	$ 150,000.00
SANITARY SERVICES	3261	EA	$ 1,750.00	$ 5,706,750.00
TRAFFIC CONTROL	1	LS	$ 250,000.00	$ 250,000.00
TRENCH STABILIZATION/DEWATERING	1	LS	$ 350,000.00	$ 350,000.00
			SUBTOTAL:	$ 28,394,723

WASTEWATER (OFF-SITE)				
10" PVC FORCEMAIN w/BEDDING TO 168TH w/perf drain	19072	LF	$ 95.00	$ 1,811,840.00
10" FORCEMAIN CLEAN OUT	3	EA	$ 8,500.00	$ 25,500.00
CONNECT TO EXISTING	1	EA	$ 4,000.00	$ 4,000.00
TEST FORCEMAIN - PRESSURE	19072	LF	$ 1.00	$ 19,072.00
TRAFFIC CONTROL	1	LS	$ 10,000.00	$ 10,000.00
CROSS UNDER EXISTING UTILITIES	1	LS	$ 25,000.00	$ 25,000.00
ASPHALT R & R	1	LS	$ 250,000.00	$ 250,000.00
LIFT STATION	1	EA	$ 2,250,000.00	$ 2,250,000.00
			SUBTOTAL:	$ 4,395,412

Grandview Reserve Metropolitan District Improvements
Districts 1-5
PUBLIC ROADWAY AND SITE IMPROVEMENTS

SUMMARY TABLE	TOTAL
ARTERIAL (URBAN MINOR 4-LANE)	$ 3,777,433
COLLECTOR (URBAN RESIDENTIAL)	$ 1,344,456
LOCAL (URBAN)	$ 1,078,298
LOCAL (LOW VOLUME)	$ 33,904,432
SUBTOTAL COST:	$ 40,104,619

ARTERIAL (URBAN MINOR 4-LANE)				
ACCESSIBLE RAMPS	35	EA	$ 1,500.00	$ 52,800.00
6' SIDEWALK - 6" THICK	13200	LF	$ 48.00	$ 633,600.00
SIDEWALK SUBGRADE PREP	13200	LF	$ 1.95	$ 25,740.00
6" VERTICAL CURB & GUTTER w/ 2' PAN	13860	LF	$ 24.00	$ 332,640.00
CURB & GUTTER PREP	13860	LF	$ 2.05	$ 28,413.00
CONCRETE CROSSPAN	18	EA	$ 1,600.00	$ 28,160.00
9" AGGREGATE BASE COURSE (ABC)	51333	SY	$ 7.70	$ 395,266.67
5" ASPHALT PAVING	47667	SY	$ 25.00	$ 1,191,666.67
STRIPING	66000	LF	$ 1.10	$ 72,600.00
SIGNAGE	35	EA	$ 900.00	$ 31,680.00
RAISE MANHOLE LIDS/VALVE BOXES	4	EA	$ 500.00	$ 2,000.00
TRAFFIC CONTROL	1	LS	$ 30,000.00	$ 30,000.00
SUBGRADE PREPARATION (FLY ASH)	51333	SY	$ 5.90	$ 302,866.67
ARTERIAL TIE-INS	2	EA	$ 325,000.00	$ 650,000.00
			SUBTOTAL:	$ 3,777,433

COLLECTOR (URBAN RESIDENTIAL)				
ACCESSIBLE RAMPS	33	EA	$ 1,500.00	$ 49,200.00
5' SIDEWALK - 4" THICK	8200	LF	$ 29.00	$ 237,800.00
SIDEWALK SUBGRADE PREP	8200	LF	$ 1.95	$ 15,990.00
6" VERTICAL CURB & GUTTER w/ 2' PAN	8610	LF	$ 24.00	$ 206,640.00
CURB & GUTTER PREP	8610	LF	$ 2.05	$ 17,650.50
CONCRETE CROSSPAN	16	EA	$ 1,600.00	$ 26,240.00
9" AGGREGATE BASE COURSE (ABC)	20500	SY	$ 7.70	$ 157,850.00
5" ASPHALT PAVING	18222	SY	$ 25.00	$ 455,555.56
STRIPING	24600	LF	$ 1.10	$ 27,060.00
SIGNAGE	33	EA	$ 900.00	$ 29,520.00
SUBGRADE PREPARATION (FLY ASH)	20500	SY	$ 5.90	$ 120,950.00
			SUBTOTAL:	$ 1,344,456

LOCAL (URBAN)				
ACCESSIBLE RAMPS	33	EA	$ 1,500.00	$ 49,200.00
5' SIDEWALK - 4" THICK	8200	LF	$ 29.00	$ 237,800.00
SIDEWALK SUBGRADE PREP	8200	LF	$ 1.95	$ 15,990.00
6" VERTICAL CURB & GUTTER w/2' PAN	8610	LF	$ 24.00	$ 206,640.00
CURB & GUTTER PREP	8610	LF	$ 2.05	$ 17,650.50
6" AGGREGATE BASE COURSE (ABC)	15944	SY	$ 6.75	$ 107,625.00
4" ASPHALT PAVING	13667	SY	$ 21.00	$ 287,000.00
STRIPING	16400	LF	$ 1.10	$ 18,040.00
SIGNAGE	33	EA	$ 900.00	$ 29,520.00
UTILITY SLEEVES	33	EA	$ 450.00	$ 14,760.00
SUBGRADE PREPARATION (FLY ASH)	15944	SY	$ 5.90	$ 94,072.22
			SUBTOTAL:	$ 1,078,298

LOCAL (LOW VOLUME)				
ACCESSIBLE RAMPS	1075	EA	$ 1,500.00	$ 1,613,220.00
5' SIDEWALK - 4" THICK	268870	LF	$ 29.00	$ 7,797,230.00
SIDEWALK SUBGRADE PREP	268870	LF	$ 1.95	$ 524,296.50
6" VERTICAL CURB & GUTTER	282314	LF	$ 24.00	$ 6,775,524.00
CURB & GUTTER PREP	282314	LF	$ 2.05	$ 578,742.68
CONCRETE CROSSPAN	269	EA	$ 1,600.00	$ 430,192.00
6" AGGREGATE BASE COURSE (ABC)	522803	SY	$ 6.75	$ 3,528,918.75
4" ASPHALT PAVING	358493.33	SY	$ 21.00	$ 7,528,360.00
STRIPING	537740	LF	$ 1.10	$ 591,514.00
SIGNAGE	1075	EA	$ 900.00	$ 967,932.00
UTILITY SLEEVES	1075	EA	$ 450.00	$ 483,966.00
SUBGRADE PREPARATION (FLY ASH)	522803	SY	$ 5.90	$ 3,084,536.39
			SUBTOTAL:	**$ 33,904,432**

Grandview Reserve Metropolitan District Improvements
Districts 1-5
PUBLIC ROADWAY AND SITE IMPROVEMENTS

SUMMARY TABLE	TOTAL
SITE (GRADING, WALLS, EROSION CONTROL, STORM SEWER, DEMOLITION)	$ 17,892,567
DETENTION/WATER QUALITY POND	$ 20,481,600
COMMON LANDSCAPING	$ 24,348,653
SUBTOTAL COST:	**$ 62,722,820**

SITE (GRADING, WALLS, EROSION CONTROL, STORM SEWER, DEMOLITION)				
EXCAVATION CUT	684250	CY	$ 3.00	$ 2,052,750.00
EXCAVATION FILL	595000	CY	$ 5.00	$ 2,975,000.00
EROSION CONTROL	768	AC	$ 1,800.00	$ 1,382,760.00
DEWATERING OPERATIONS	1	LS	$ 350,000.00	$ 350,000.00
SWPP BOOK & MAINTENANCE	60	MO	$ 1,250.00	$ 75,000.00
5' DIAMETER MANHOLE	92	EA	$ 5,250.00	$ 483,966.00
18" FES	26	EA	$ 775.00	$ 19,845.17
24" FES	77	EA	$ 875.00	$ 67,217.50
18" RCP CL-III	23046	LF	$ 105.00	$ 2,419,830.00
24" RCP CL-III	23046	LF	$ 125.00	$ 2,880,750.00
RCB BOX CULVERT	7	EA	$ 145,000.00	$ 1,015,000.00
5' TYPE R INLET	92	EA	$ 7,200.00	$ 663,724.80
10' TYPE R INLET	92	EA	$ 11,000.00	$ 1,014,024.00
EXTRA DEPTH	553	LF	$ 32.00	$ 17,699.33
DEMOLITION & HAUL OFF	1	LS	$ 100,000.00	$ 100,000.00
			SUBTOTAL:	**$ 17,892,567**

DETENTION/WATER QUALITY POND				
DRAINAGE CHANNELS	24489	LF	$ 800.00	$ 19,591,200.00
OUTLET STRUCTURE	8	LS	$ 45,000.00	$ 360,000.00
RIPRAP	320	CY	$ 265.00	$ 84,800.00
TRICKLE CHANNEL	4800	LF	$ 9.50	$ 45,600.00
FOREBAY	8	LS	$ 15,000.00	$ 120,000.00
WATER QUALITY POND/OUTLET	8	EA	$ 35,000.00	$ 280,000.00
			SUBTOTAL:	**$ 20,481,600**

COMMON LANDSCAPING				
COMMON SPACE LANDSCAPING W/IRRIGATION	8622702	SF	$ 2.50	$ 21,556,755.00
ENTRY MONUMENTATION	3	EA	$ 35,000.00	$ 105,000.00
OPEN SPACE TRACT TRAIL (8 FEET)	320640	SF	$ 4.45	$ 1,426,848.00
SPLIT RAIL FENCING	100804	LF	$ 12.50	$ 1,260,050.00
			SUBTOTAL:	**$ 24,348,653**

EXHIBIT D

FINANCIAL PLAN SUMMARY

Financial Plan Summary must contain:

Statement of Assumptions Contained in Plan

Assessed Value Projections

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

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

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

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)

Development Projection at 50.000 (target) Mills for Debt Service – Service Plan

Series 2031, G.O. Bonds, Pay & Cancel Refg of (proposed) Series 2021 + New Money, Assumes Investment Grade, 100x, 30-yr. Maturity

YEAR	Residential Total Assessed Value	Res'l D/S Mill Levy [50.000 Target] [50.000 Cap]	Res'l D/S Mill Levy Collections @ 98%	Res'l S.O. Taxes Collected @ 6%	Commercial Total Assessed Value	Comm'l D/S Mill Levy [35.000 Target] [35.000 Cap]	Comm'l D/S Mill Levy Collections @ 98%	Comm'l S.O. Taxes Collected @ 6%
2019								
2020								
2021	$0	50.000	0	0	$0	35.000	0	0
2022	4,634,200	50.000	227,076	13,625	0	35.000	0	0
2023	16,286,414	50.000	798.132	47,888	0	35.000	0	0
2024	28.408.797	50.000	1,392.031	83,522	0	35.000	0	0
2025	40,533,841	50.000	1,986,158	119,169	0	35.000	0	0
2026	53,619,379	50.000	2,627.350	157,641	72,500	35.000	2,487	149
2027	66,234,275	50.000	3.245,479	194,729	872,959	35.000	29.942	1,797
2028	80,333,470	50.000	3,936,340	236,180	1,632,936	35.000	56,010	3,361
2029	93,425,383	50.000	4,577,844	274,671	1,632,936	35.000	56,010	3,361
2030	103,893,067	50.000	5,090,760	305,446	1,665,594	35.000	57,130	3,428
2031	103,893,067	50.000	5,090,760	305.446	1,665,594	35.000	57,130	3,428
2032	105,870,929	50.000	5,192.576	311.555	1,698,906	35.000	58,272	3,496
2033	105,970,929	50.000	5,192,576	311.555	1,698,906	35.000	58,272	3,496
2034	108,090,347	50.000	5,296,427	317,786	1,732,884	35.000	59,438	3.566
2035	108,090,347	50.000	5,296,427	317,786	1,732,884	35.000	59,438	3.566
2036	110,252,154	50.000	5,402.356	324,141	1,767,542	35.000	60,627	3.638
2037	110,252,154	50.000	5,402.356	324,141	1,767,542	35.000	60,627	3,638
2038	112,457,197	50.000	5,510.403	330,624	1,802,893	35.000	61,839	3,710
2039	112,457,197	50.000	5.510.403	330,624	1,802,893	35.000	61,839	3,710
2040	114,706,341	50.000	5,620,611	337,237	1,838,951	35.000	63,076	3,785
2041	114,706,341	50.000	5.620,611	337.237	1,838,951	35,000	63,076	3.785
2042	117,000,468	50.000	5,733,023	343,981	1,875,730	35,000	64,338	3,860
2043	117,000,468	50.000	5,733.023	343,981	1,875,730	35,000	64,338	3,860
2044	119,340,478	50.000	5,847,683	350,861	1,913,244	35,000	65,624	3,937
2045	119,340,478	50.000	5,847,683	350,861	1,913,244	35.000	65,624	3,937
2046	121,727,287	50.000	5,964,637	357,878	1,951,509	35.000	66,937	4,016
2047	121,727,287	50.000	5,964,637	357,878	1,951,509	35,000	66,937	4,016
2048	124,161,833	50.000	6,083,930	365,036	1,990,539	35.000	68,275	4,097
2049	124,161,833	50.000	6,083,930	365,036	1,990,539	35.000	68,275	4,097
2050	126,645,070	50.000	6,205,608	372,337	2,030,350	35,000	69,641	4,178
2051	126,645,070	50.000	6,205.608	372,337	2,030,350	35,000	69,641	4,178
2052	129,177,971	50.000	6,329.721	379.783	2,070,957	35.000	71,034	4,262
2053	129,177,971	50.000	6,329,721	379,783	2,070,957	35,000	71,034	4,262
2054	131,761,530	50,000	6,456,315	387,379	2,112,376	35,000	72,455	4,347
2055	131,761,530	50.000	6,456,315	387.379	2,112,376	35,000	72,455	4,347
2056	134,396,761	50.000	6,585,441	395,126	2,154,624	35.000	73,904	4,434
2057	134,396,761	50,000	6,585,441	395,126	2,154,624	35.000	73,904	4,434
2058	137,084,696	50,000	6,717,150	403,029	2,197,716	35.000	75,382	4,523
2059	137,084,696	50,000	6,717,150	403,029	2,197,716	35,000	75,382	4,523
2060	139,826,390	50.000	6.851,493	411,090	2,241,671	35,000	76,889	4,613
2061	139,826,390	50.000	6,851,493	411,090	2,241,671	35.000	76,889	4,613
			208,566,677	12,514,001			2,274,169	136,450

D.A.DAVIDSON

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)

Development Projection at 50.000 (target) Mills for Debt Service – Service Plan

Series 2031, G.O. Bonds, Pay & Cancel Refg of (proposed) Series 2021 + New Money, Assumes Investment Grade, 100x, 30-yr. Maturity

YEAR	Annual Taxable Sales Revenue infl. @ 1.0%	Annual Sales PIF Revenue @ 2.000%	Total Available Revenue	Series 2021 $81,130,000 Par [Net $60.225 MM] Net Debt Service	Ser. 2031 $110,435,000 Par [Net $38.958 MM] [Escr $76.555 MM] Net Debt Service	Total Net Debt Service	Funds on Hand* Used as Source	Annual Surplus	Surplus Release to $11,043,500	Cumulative Surplus $11,043,500 Target	Senior Debt/ Assessed Ratio	Cov. of Net DS: @ Res'l Target @ Comm'l Target + PIF Revs	Cov. of Net DS: @ Res'l Cap @ Comm'l Cap + PIF Revs
2019	0	0	0					n/a					
2020	0	0	0					n/a					
2021	0	0	0	$0		0		0		**6,813,000**	0%	0.0%	0.0%
2022	0	0	240,700	0		0		240,700	0	7,053,700	0%	0.0%	0.0%
2023	0	0	846,020	0		0		846,020	0	7,899,721	0%	0.0%	0.0%
2024	0	0	1,475,553	0		0		1,475,553	0	9,375,273	0%	0.0%	0.0%
2025	1,576,515	31,530	2,136,858	4,056,500		4,056,500		(1,919,642)	0	7,455,631	0%	52.7%	52.7%
2026	4,776,841	95,537	2,883,163	4,056,500		4,056,500		(1,173,337)	0	6,282,295	0%	71.1%	71.1%
2027	6,432,812	128,656	3,600,604	4,056,500		4,056,500		(455,896)	0	5,826,398	0%	88.8%	88.8%
2028	6,497,140	129,943	4,361,834	4,361,500		4,361,500		334	0	5,826,732	0%	100.0%	100.0%
2029	6,562,112	131,242	5,043,127	5,041,250		5,041,250		1,877	0	5,828,609	0%	100.0%	100.0%
2030	6,627,733	132,555	5,589,318	5,586,250		5,586,250		3,068	0	5,831,677	0%	100.1%	100.1%
2031	6,694,010	133,880	5,590,644	5,586,500	$0	5,586,500	5,830,000	(5,825,856)	0	5,821	103%	100.1%	100.1%
2032	6,760,950	135,219	5,701,118	[Ref'd by Ser. '31]	5,697,400	5,697,400		3,718	0	9,539	101%	100.1%	100.1%
2033	6,828,560	136,571	5,702,470		5,701,200	5,701,200		1,270	0	10,809	98%	100.0%	100.0%
2034	6,896,845	137,937	5,815,154		5,812,800	5,812,800		2,354	0	13,162	97%	100.0%	100.0%
2035	6,965,814	139,316	5,816,533		5,812,800	5,812,800		3,733	0	16,896	94%	100.1%	100.1%
2036	7,035,472	140,709	5,931,471		5,930,400	5,930,400		1,071	0	17,966	92%	100.0%	100.0%
2037	7,105,827	142,117	5,932,878		5,930,800	5,930,800		2,078	0	20,044	89%	100.0%	100.0%
2038	7,176,885	143,538	6,050,114		6,048,400	6,048,400		1,714	0	21,758	87%	100.0%	100.0%
2039	7,248,654	144,973	6,051,549		6,048,400	6,048,400		3,149	0	24,907	83%	100.1%	100.1%
2040	7,321,140	146,423	6,171,131		6,170,200	6,170,200		931	0	25,838	81%	100.0%	100.0%
2041	7,394,352	147,887	6,172,595		6,168,800	6,168,800		3,795	0	29,633	78%	100.1%	100.1%
2042	7,468,295	149,366	6,294,568		6,293,800	6,293,800		768	0	30,401	76%	100.0%	100.0%
2043	7,542,978	150,860	6,296,062		6,295,000	6,295,000		1,062	0	31,463	72%	100.0%	100.0%
2044	7,618,408	152,368	6,420,474		6,417,000	6,417,000		3,474	0	34,937	69%	100.1%	100.1%
2045	7,694,592	153,892	6,421,998		6,419,800	6,419,800		2,198	0	37,135	66%	100.0%	100.0%
2046	7,771,538	155,431	6,548,899		6,547,800	6,547,800		1,099	0	38,234	63%	100.0%	100.0%
2047	7,849,253	156,985	6,550,453		6,545,800	6,545,800		4,653	0	42,887	59%	100.1%	100.1%
2048	7,927,746	158,555	6,679,893		6,678,600	6,678,600		1,293	0	44,180	56%	100.0%	100.0%
2049	8,007,023	160,140	6,681,478		6,680,600	6,680,600		878	0	45,058	52%	100.0%	100.0%
2050	8,087,093	161,742	6,813,506		6,811,600	6,811,600		1,906	0	46,964	49%	100.0%	100.0%
2051	8,167,964	163,359	6,815,124		6,811,200	6,811,200		3,924	0	50,888	45%	100.1%	100.1%
2052	8,249,644	164,993	6,949,793		6,949,200	6,949,200		593	0	51,481	41%	100.0%	100.0%
2053	8,332,141	166,643	6,951,442		6,949,800	6,949,800		1,642	0	53,123	37%	100.0%	100.0%
2054	8,415,462	168,309	7,088,805		7,088,000	7,088,000		805	0	53,928	33%	100.0%	100.0%
2055	8,499,617	169,992	7,090,488		7,088,000	7,088,000		2,488	0	56,416	28%	100.0%	100.0%
2056	8,584,613	171,692	7,230,598		7,229,800	7,229,800		798	0	57,214	24%	100.0%	100.0%
2057	8,670,459	173,409	7,232,315		7,227,400	7,227,400		4,915	0	62,128	19%	100.1%	100.1%
2058	8,757,163	175,143	7,375,227		7,371,000	7,371,000		4,227	0	66,355	15%	100.1%	100.1%
2059	8,844,735	176,895	7,376,978		7,374,400	7,374,400		2,578	0	68,934	10%	100.0%	100.0%
2060	8,933,182	178,664	7,522,749		7,522,600	7,522,600		149	0	69,083	5%	100.0%	100.0%
2061	9,022,514	180,450	7,524,536		7,524,400	7,524,400		136	69,218	0	n/a	100.0%	100.0%
		5,486,922	228,978,218	32,745,000	197,147,000	229,892,000	5,830,000	(6,743,782)	69,218				

[CJul2120 21nrspC] [CJul2020 31ig21C]

[*] Estimated balance (tbd).

[*] Assumes $6.813M Deposit to Surplus @ Closing (tbd).

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)

Operations Revenue and Expense Projection

YEAR	R+C Total Assessed Value	Oper'ns Mill Levy	Total Collections @ 98%	S.O. Tax Collections @ 98%	Total Available For O&M	Res'l Total Mills	Comm'l Total Mills
2019							
2020							
2021	0	10.000	0	0	0	60.000	45.000
2022	4,634,200	10.000	45,415	44,507	89,922	60.000	45.000
2023	16,268,414	10.000	159,626	156,434	316,060	60.000	45.000
2024	28,408,797	10.000	278,406	272,838	551,244	60.000	45.000
2025	40,533,841	10.000	397,232	389,287	786,519	60.000	45.000
2026	53,691,879	10.000	526,180	515,657	1,041,837	60.000	45.000
2027	67,107,233	10.000	657,651	644,498	1,302,149	60.000	45.000
2028	81,966,406	10.000	803,271	787,205	1,590,476	60.000	45.000
2029	95,058,319	10.000	931,572	912,940	1,844,512	60.000	45.000
2030	105,558,662	10.000	1,034,475	1,013,785	2,048,260	60.000	45.000
2031	105,558,662	10.000	1,034,475	1,013,785	2,048,260	60.000	45.000
2032	107,669,835	10.000	1,055,164	1,034,061	2,089,225	60.000	45.000
2033	107,669,835	10.000	1,055,164	1,034,061	2,089,225	60.000	45.000
2034	109,823,232	10.000	1,076,268	1,054,742	2,131,010	60.000	45.000
2035	109,823,232	10.000	1,076,268	1,054,742	2,131,010	60.000	45.000
2036	112,019,696	10.000	1,097,793	1,075,837	2,173,630	60.000	45.000
2037	112,019,696	10.000	1,097,793	1,075,837	2,173,630	60.000	45.000
2038	114,260,090	10.000	1,119,749	1,097,354	2,217,103	60.000	45.000
2039	114,260,090	10.000	1,119,749	1,097,354	2,217,103	60.000	45.000
2040	116,545,292	10.000	1,142,144	1,119,301	2,261,445	60.000	45.000
2041	116,545,292	10.000	1,142,144	1,119,301	2,261,445	60.000	45.000
2042	118,876,198	10.000	1,164,987	1,141,687	2,306,674	60.000	45.000
2043	118,876,198	10.000	1,164,987	1,141,687	2,306,674	60.000	45.000
2044	121,253,722	10.000	1,188,286	1,164,521	2,352,807	60.000	45.000
2045	121,253,722	10.000	1,188,286	1,164,521	2,352,807	60.000	45.000
2046	123,678,796	10.000	1,212,052	1,187,811	2,399,863	60.000	45.000
2047	123,678,796	10.000	1,212,052	1,187,811	2,399,863	60.000	45.000
2048	126,152,372	10.000	1,236,293	1,211,567	2,447,861	60.000	45.000
2049	126,152,372	10.000	1,236,293	1,211,567	2,447,861	60.000	45.000
2050	128,675,420	10.000	1,261,019	1,235,799	2,496,818	60.000	45.000
2051	128,675,420	10.000	1,261,019	1,235,799	2,496,818	60.000	45.000
2052	131,248,928	10.000	1,286,239	1,260,515	2,546,754	60.000	45.000
2053	131,248,928	10.000	1,286,239	1,260,515	2,546,754	60.000	45.000
2054	133,873,907	10.000	1,311,964	1,285,725	2,597,689	60.000	45.000
2055	133,873,907	10.000	1,311,964	1,285,725	2,597,689	60.000	45.000
2056	136,551,385	10.000	1,338,204	1,311,439	2,649,643	60.000	45.000
2057	136,551,385	10.000	1,338,204	1,311,439	2,649,643	60.000	45.000
2058	139,282,412	10.000	1,364,968	1,337,668	2,702,636	60.000	45.000
2059	139,282,412	10.000	1,364,968	1,337,668	2,702,636	60.000	45.000
2060	142,068,061	10.000	1,392,267	1,364,422	2,756,689	60.000	45.000
2061	142,068,061	10.000	1,392,267	1,364,422	2,756,689	60.000	45.000
			42,363,098	41,515,836	83,878,934		

D.A. DAVIDSON

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential)

Development Projection at 50.000 (target) Mills for Debt Service – 07/20/2020

Assessed Value Summary

	< < < < < < < < Residential > > > > > > > >				< Platted/Developed Lots >		
YEAR	Total Res'l Units	Mkt Value Biennial Reasses'mt @ 2.0%	Cumulative Market Value	As'ed Value @ 7.15% of Market (2-yr lag)	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	Total Assessed Value
2019	0		0		0		
2020	0	0	0		15,980,000		
2021	408		162,996,000	0	15,980,000	0	$0
2022	408	3,259,920	332,511,840	0	15,980,000	4,634,200	4,634,200
2023	408		502,092,878	11,654,214	15,980,000	4,634,200	16,288,414
2024	408	10,041,858	685,107,395	23,774,597	15,980,000	4,634,200	28,408,797
2025	408		861,539,507	35,899,641	15,980,000	4,634,200	40,533,841
2026	408	17,230,790	1,058,731,052	48,985,179	15,980,000	4,634,200	53,619,379
2027	408		1,242,291,022	61,600,075	15,867,500	4,634,200	66,234,275
2028	405	24,845,820	1,453,049,895	75,699,270	0	4,634,200	80,333,470
2029	0		1,453,049,895	88,823,808	0	4,601,575	93,425,383
2030	0	29,060,998	1,482,110,893	103,893,067	0	0	103,893,067
2031	0		1,482,110,893	103,893,067	0	0	103,893,067
2032	0	29,642,218	1,511,753,110	105,970,929	0	0	105,970,929
2033	0		1,511,753,110	105,970,929	0	0	105,970,929
2034	0	30,235,062	1,541,988,173	108,090,347	0	0	108,090,347
2035	0		1,541,988,173	108,090,347	0	0	108,090,347
2036	0	30,839,763	1,572,827,936	110,252,154	0	0	110,252,154
2037	0		1,572,827,936	110,252,154	0	0	110,252,154
2038	0	31,456,559	1,604,284,495	112,457,197	0	0	112,457,197
2039	0		1,604,284,495	112,457,197	0	0	112,457,197
2040		32,085,690	1,636,370,185	114,706,341	0	0	114,706,341
2041			1,636,370,185	114,706,341	0	0	114,706,341
2042		32,727,404	1,669,097,588	117,000,468	0	0	117,000,468
2043			1,669,097,588	117,000,468	0	0	117,000,468
2044		33,381,952	1,702,479,540	119,340,478	0	0	119,340,478
2045			1,702,479,540	119,340,478	0	0	119,340,478
2046		34,049,591	1,736,529,131	121,727,287	0	0	121,727,287
2047			1,736,529,131	121,727,287	0	0	121,727,287
2048		34,730,583	1,771,259,714	124,161,833	0	0	124,161,833
2049			1,771,259,714	124,161,833	0	0	124,161,833
2050		35,425,194	1,806,684,908	126,645,070	0	0	126,645,070
2051			1,806,684,908	126,645,070	0	0	126,645,070
2052		36,133,698	1,842,818,606	129,177,971	0	0	129,177,971
2053			1,842,818,606	129,177,971	0	0	129,177,971
2054		36,856,372	1,879,674,978	131,761,530	0	0	131,761,530
2055			1,879,674,978	131,761,530	0	0	131,761,530
2056		37,593,500	1,917,268,478	134,396,761	0	0	134,396,761
2057			1,917,268,478	134,396,761	0	0	134,396,761
2058		38,345,370	1,955,613,847	137,084,696	0	0	137,084,696
2059			1,955,613,847	137,084,696	0	0	137,084,696
2060		39,112,277	1,994,726,124	139,826,390	0	0	139,826,390
2061			1,994,726,124	139,826,390	0	0	139,826,390
	3,261	597,054,618					

D.A. DAVIDSON

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential)

Development Summary

Development Projection -- Buildout Plan (updated 4/20/20)

Product Type	Residential Development: SFD 1	Residential Development: SFD 2	Res'l Totals
Base $ ('20)	$575,000	$375,000	
Sales $ ('20)			
Taxable %			
2020	-	-	-
2021	34	374	408
2022	34	374	408
2023	34	374	408
2024	34	374	408
2025	34	374	408
2026	34	374	408
2027	34	374	408
2028	34	371	405
2029	-	-	-
2030	-	-	-
2031	-	-	-
2032	-	-	-
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-
2038	-	-	-
2039	-	-	-
	272	2,989	**3,261**
MV @ Full Buildout (base prices;un-infl.)	**$156,400,000**	**$1,120,875,000**	**$1,277,275,000**
Sales @ Full Buildout (base prices;un-infl.)			

notes:

Platted/Dev Lots = 10% MV; one-yr prior

Base MV $ inflated 2% per annum

Base Sales $ inflated 1% per annum; Assumes Lease-up: 50% (Yr1), 75% (Yr2), 100% (Yr3 fwd)

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Commercial)

Development Projection at 35.000 (target) Mills for Debt Service – 07/20/2020

Assessed Value Summary

	< Platted/Developed Lots >			<<<<<<<<<< Commercial >>>>>>>>>>			
YEAR	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	Total Comm'l Sq. Ft.	Mkt Value Biennial Reasses'mt @ 2.0%	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	Total Assessed Value
2019	0		0		0		
2020	0		0	0	0		
2021	0	0	0		0	0	$0
2022	0	0	0	0	0	0	0
2023	0	0	0		0	0	0
2024	250,000	0	0	0	0	0	0
2025	250,000	0	10,000		2,760,202	0	0
2026	0	72,500	10,000	55,204	5,630,812	0	72,500
2027	0	72,500	0		5,630,812	800,459	872,959
2028	0	0	0	112,616	5,743,428	1,632,936	1,632,936
2029	0	0	0		5,743,428	1,632,936	1,632,936
2030	0	0	0	114,869	5,858,297	1,665,594	1,665,594
2031	0	0	0		5,858,297	1,665,594	1,665,594
2032	0	0	0	117,166	5,975,463	1,698,906	1,698,906
2033	0	0	0		5,975,463	1,698,906	1,698,906
2034	0	0	0	119,509	6,094,972	1,732,884	1,732,884
2035	0	0	0		6,094,972	1,732,884	1,732,884
2036	0	0	0	121,899	6,216,872	1,767,542	1,767,542
2037	0	0	0		6,216,872	1,767,542	1,767,542
2038	0	0	0	124,337	6,341,209	1,802,893	1,802,893
2039	0	0	0		6,341,209	1,802,893	1,802,893
2040	0	0		126,824	6,468,033	1,838,951	1,838,951
2041	0	0			6,468,033	1,838,951	1,838,951
2042	0	0		129,361	6,597,394	1,875,730	1,875,730
2043	0	0			6,597,394	1,875,730	1,875,730
2044	0	0		131,948	6,729,342	1,913,244	1,913,244
2045	0	0			6,729,342	1,913,244	1,913,244
2046	0	0		134,587	6,863,929	1,951,509	1,951,509
2047	0	0			6,863,929	1,951,509	1,951,509
2048	0	0		137,279	7,001,207	1,990,539	1,990,539
2049	0	0			7,001,207	1,990,539	1,990,539
2050	0	0		140,024	7,141,231	2,030,350	2,030,350
2051	0	0			7,141,231	2,030,350	2,030,350
2052	0	0		142,825	7,284,056	2,070,957	2,070,957
2053	0	0			7,284,056	2,070,957	2,070,957
2054	0	0		145,681	7,429,737	2,112,376	2,112,376
2055	0	0			7,429,737	2,112,376	2,112,376
2056	0	0		148,595	7,578,332	2,154,624	2,154,624
2057	0	0			7,578,332	2,154,624	2,154,624
2058	0	0		151,567	7,729,898	2,197,716	2,197,716
2059	0	0			7,729,898	2,197,716	2,197,716
2060	0	0		154,598	7,884,496	2,241,671	2,241,671
2061	0	0			7,884,496	2,241,671	2,241,671
			20,000	2,308,888			

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Commercial)

Development Summary

Development Projection -- Buildout Plan (updated 4/20/20)

D.A. DAVIDSON FIXED INCOME CAPITAL MARKETS

Commercial Development

Product Type	Retail 1	Retail 2	Comm'l Totals
Base $ ('20)	$250/sf	$250/sf	
Sales $ ('20)	$300/sf	$300/sf	
Taxable %	100%	100%	
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	-	-	-
2025	10,000	-	10,000
2026	-	10,000	10,000
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030	-	-	-
2031	-	-	-
2032	-	-	-
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-
2038	-	-	-
2039	-	-	-
	10,000	10,000	**20,000**
MV @ Full Buildout (base prices;un-infl.)	**$2,500,000**	**$2,500,000**	**$5,000,000**
Sales @ Full Buildout (base prices;un-infl.)	**$3,000,000**	**$3,000,000**	**$6,000,000**

notes:

Platted/Dev Lots = 10% MV; one-yr prior

Base MV $ inflated 2% per annum

Base Sales $ inflated 1% per annum; Assumes Lease-up: 50% (Yr1), 75% (Yr2), 100% (Yr3 fwd)

D.A. DAVIDSON
FIXED INCOME CAPITAL MARKETS

SOURCES AND USES OF FUNDS

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION BONDS, SERIES 2021
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Dated Date	12/01/2021
Delivery Date	12/01/2021

Sources:	
Bond Proceeds:	
Par Amount	81,130,000.00
	81,130,000.00

Uses:	
Project Fund Deposits:	
Project Fund	60,224,900.00
Other Fund Deposits:	
Capitalized Interest Fund	12,169,500.00
Cost of Issuance:	
Other Cost of Issuance	300,000.00
Delivery Date Expenses:	
Underwriter's Discount	1,622,600.00
Other Uses of Funds:	
Deposit to Surplus	6,813,000.00
	81,130,000.00

D A DAVIDSON

BOND SUMMARY STATISTICS

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION BONDS, SERIES 2021
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Dated Date	12/01/2021
Delivery Date	12/01/2021
First Coupon	06/01/2022
Last Maturity	12/01/2051
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.157832%
Net Interest Cost (NIC)	5.000000%
All-In TIC	5.187524%
Average Coupon	5.000000%
Average Life (years)	21.841
Weighted Average Maturity (years)	21.841
Duration of Issue (years)	13.072
Par Amount	81,130,000.00
Bond Proceeds	81,130,000.00
Total Interest	88,599,750.00
Net Interest	90,222,350.00
Bond Years from Dated Date	1,771,995,000.00
Bond Years from Delivery Date	1,771,995,000.00
Total Debt Service	169,729,750.00
Maximum Annual Debt Service	6,814,500.00
Average Annual Debt Service	5,657,658.33
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2051	81,130,000.00	100.000	5.000%	21.841	10/04/2043	125,751.50
	81,130,000.00			21.841		125,751.50

	TIC	All-In TIC	Arbitrage Yield
Par Value	81,130,000.00	81,130,000.00	81,130,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-1,622,600.00	-1,622,600.00	
- Cost of Issuance Expense		-300,000.00	
- Other Amounts			
Target Value	79,507,400.00	79,207,400.00	81,130,000.00
Target Date	12/01/2021	12/01/2021	12/01/2021
Yield	5.157832%	5.187524%	5.000000%

D A DAVIDSON
FIXED INCOME CAPITAL MARKETS

BOND DEBT SERVICE

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION BONDS, SERIES 2021
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2022			2,028,250	2,028,250	
12/01/2022			2,028,250	2,028,250	4,056,500
06/01/2023			2,028,250	2,028,250	
12/01/2023			2,028,250	2,028,250	4,056,500
06/01/2024			2,028,250	2,028,250	
12/01/2024			2,028,250	2,028,250	4,056,500
06/01/2025			2,028,250	2,028,250	
12/01/2025			2,028,250	2,028,250	4,056,500
06/01/2026			2,028,250	2,028,250	
12/01/2026			2,028,250	2,028,250	4,056,500
06/01/2027			2,028,250	2,028,250	
12/01/2027			2,028,250	2,028,250	4,056,500
06/01/2028			2,028,250	2,028,250	
12/01/2028	305,000	5.000%	2,028,250	2,333,250	4,361,500
06/01/2029			2,020,625	2,020,625	
12/01/2029	1,000,000	5.000%	2,020,625	3,020,625	5,041,250
06/01/2030			1,995,625	1,995,625	
12/01/2030	1,595,000	5.000%	1,995,625	3,590,625	5,586,250
06/01/2031			1,955,750	1,955,750	
12/01/2031	1,675,000	5.000%	1,955,750	3,630,750	5,586,500
06/01/2032			1,913,875	1,913,875	
12/01/2032	1,870,000	5.000%	1,913,875	3,783,875	5,697,750
06/01/2033			1,867,125	1,867,125	
12/01/2033	1,965,000	5.000%	1,867,125	3,832,125	5,699,250
06/01/2034			1,818,000	1,818,000	
12/01/2034	2,175,000	5.000%	1,818,000	3,993,000	5,811,000
06/01/2035			1,763,625	1,763,625	
12/01/2035	2,285,000	5.000%	1,763,625	4,048,625	5,812,250
06/01/2036			1,706,500	1,706,500	
12/01/2036	2,515,000	5.000%	1,706,500	4,221,500	5,928,000
06/01/2037			1,643,625	1,643,625	
12/01/2037	2,645,000	5.000%	1,643,625	4,288,625	5,932,250
06/01/2038			1,577,500	1,577,500	
12/01/2038	2,890,000	5.000%	1,577,500	4,467,500	6,045,000
06/01/2039			1,505,250	1,505,250	
12/01/2039	3,040,000	5.000%	1,505,250	4,545,250	6,050,500
06/01/2040			1,429,250	1,429,250	
12/01/2040	3,310,000	5.000%	1,429,250	4,739,250	6,168,500
06/01/2041			1,346,500	1,346,500	
12/01/2041	3,475,000	5.000%	1,346,500	4,821,500	6,168,000
06/01/2042			1,259,625	1,259,625	
12/01/2042	3,775,000	5.000%	1,259,625	5,034,625	6,294,250
06/01/2043			1,165,250	1,165,250	
12/01/2043	3,965,000	5.000%	1,165,250	5,130,250	6,295,500
06/01/2044			1,066,125	1,066,125	
12/01/2044	4,285,000	5.000%	1,066,125	5,351,125	6,417,250
06/01/2045			959,000	959,000	
12/01/2045	4,500,000	5.000%	959,000	5,459,000	6,418,000
06/01/2046			846,500	846,500	
12/01/2046	4,855,000	5.000%	846,500	5,701,500	6,548,000
06/01/2047			725,125	725,125	
12/01/2047	5,100,000	5.000%	725,125	5,825,125	6,550,250
06/01/2048			597,625	597,625	
12/01/2048	5,480,000	5.000%	597,625	6,077,625	6,675,250
06/01/2049			460,625	460,625	
12/01/2049	5,755,000	5.000%	460,625	6,215,625	6,676,250
06/01/2050			316,750	316,750	
12/01/2050	6,180,000	5.000%	316,750	6,496,750	6,813,500
06/01/2051			162,250	162,250	
12/01/2051	6,490,000	5.000%	162,250	6,652,250	6,814,500
	81,130,000		88,599,750	169,729,750	169,729,750

D A DAVIDSON

NET DEBT SERVICE

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION BONDS, SERIES 2021
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Principal	Interest	Total Debt Service	Capitalized Interest Fund	Net Debt Service
12/01/2022		4,056,500	4,056,500	4,056,500	
12/01/2023		4,056,500	4,056,500	4,056,500	
12/01/2024		4,056,500	4,056,500	4,056,500	
12/01/2025		4,056,500	4,056,500		4,056,500
12/01/2026		4,056,500	4,056,500		4,056,500
12/01/2027		4,056,500	4,056,500		4,056,500
12/01/2028	305,000	4,056,500	4,361,500		4,361,500
12/01/2029	1,000,000	4,041,250	5,041,250		5,041,250
12/01/2030	1,595,000	3,991,250	5,586,250		5,586,250
12/01/2031	1,675,000	3,911,500	5,586,500		5,586,500
12/01/2032	1,870,000	3,827,750	5,697,750		5,697,750
12/01/2033	1,965,000	3,734,250	5,699,250		5,699,250
12/01/2034	2,175,000	3,636,000	5,811,000		5,811,000
12/01/2035	2,285,000	3,527,250	5,812,250		5,812,250
12/01/2036	2,515,000	3,413,000	5,928,000		5,928,000
12/01/2037	2,645,000	3,287,250	5,932,250		5,932,250
12/01/2038	2,890,000	3,155,000	6,045,000		6,045,000
12/01/2039	3,040,000	3,010,500	6,050,500		6,050,500
12/01/2040	3,310,000	2,858,500	6,168,500		6,168,500
12/01/2041	3,475,000	2,693,000	6,168,000		6,168,000
12/01/2042	3,775,000	2,519,250	6,294,250		6,294,250
12/01/2043	3,965,000	2,330,500	6,295,500		6,295,500
12/01/2044	4,285,000	2,132,250	6,417,250		6,417,250
12/01/2045	4,500,000	1,918,000	6,418,000		6,418,000
12/01/2046	4,855,000	1,693,000	6,548,000		6,548,000
12/01/2047	5,100,000	1,450,250	6,550,250		6,550,250
12/01/2048	5,480,000	1,195,250	6,675,250		6,675,250
12/01/2049	5,755,000	921,250	6,676,250		6,676,250
12/01/2050	6,180,000	633,500	6,813,500		6,813,500
12/01/2051	6,490,000	324,500	6,814,500		6,814,500
	81,130,000	88,599,750	169,729,750	12,169,500	157,560,250

D A DAVIDSON

BOND SOLUTION

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION BONDS, SERIES 2021
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2022		4,056,500	-4,056,500		240,700	240,700	
12/01/2023		4,056,500	-4,056,500		846,020	846,020	
12/01/2024		4,056,500	-4,056,500		1,475,553	1,475,553	
12/01/2025		4,056,500		4,056,500	2,136,858	-1,919,642	52.67738%
12/01/2026		4,056,500		4,056,500	2,883,163	-1,173,337	71.07515%
12/01/2027		4,056,500		4,056,500	3,600,604	-455,897	88.76133%
12/01/2028	305,000	4,361,500		4,361,500	4,361,834	334	100.00765%
12/01/2029	1,000,000	5,041,250		5,041,250	5,043,127	1,877	100.03723%
12/01/2030	1,595,000	5,586,250		5,586,250	5,589,318	3,068	100.05493%
12/01/2031	1,675,000	5,586,500		5,586,500	5,590,644	4,144	100.07418%
12/01/2032	1,870,000	5,697,750		5,697,750	5,701,118	3,368	100.05911%
12/01/2033	1,965,000	5,699,250		5,699,250	5,702,470	3,220	100.05650%
12/01/2034	2,175,000	5,811,000		5,811,000	5,815,154	4,154	100.07148%
12/01/2035	2,285,000	5,812,250		5,812,250	5,816,533	4,283	100.07369%
12/01/2036	2,515,000	5,928,000		5,928,000	5,931,471	3,471	100.05855%
12/01/2037	2,645,000	5,932,250		5,932,250	5,932,878	628	100.01058%
12/01/2038	2,890,000	6,045,000		6,045,000	6,050,114	5,114	100.08460%
12/01/2039	3,040,000	6,050,500		6,050,500	6,051,549	1,049	100.01735%
12/01/2040	3,310,000	6,168,500		6,168,500	6,171,131	2,631	100.04265%
12/01/2041	3,475,000	6,168,000		6,168,000	6,172,595	4,595	100.07450%
12/01/2042	3,775,000	6,294,250		6,294,250	6,294,568	318	100.00505%
12/01/2043	3,965,000	6,295,500		6,295,500	6,296,062	562	100.00892%
12/01/2044	4,285,000	6,417,250		6,417,250	6,420,474	3,224	100.05024%
12/01/2045	4,500,000	6,418,000		6,418,000	6,421,998	3,998	100.06229%
12/01/2046	4,855,000	6,548,000		6,548,000	6,548,899	899	100.01373%
12/01/2047	5,100,000	6,550,250		6,550,250	6,550,453	203	100.00310%
12/01/2048	5,480,000	6,675,250		6,675,250	6,679,893	4,643	100.06955%
12/01/2049	5,755,000	6,676,250		6,676,250	6,681,478	5,228	100.07831%
12/01/2050	6,180,000	6,813,500		6,813,500	6,813,506	6	100.00009%
12/01/2051	6,490,000	6,814,500		6,814,500	6,815,124	624	100.00915%
	81,130,000	169,729,750	-12,169,500	157,560,250	156,635,288	-924,962	

D.A. DAVIDSON
FIXED INCOME CAPITAL MARKETS

SOURCES AND USES OF FUNDS

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Dated Date	12/01/2031
Delivery Date	12/01/2031

Sources:	
Bond Proceeds:	
Par Amount	110,435,000.00
Other Sources of Funds:	
Funds on Hand*	5,830,000.00
	116,265,000.00

Uses:	
Project Fund Deposits:	
Project Fund	38,957,825.00
Refunding Escrow Deposits:	
Cash Deposit*	76,555,000.00
Cost of Issuance:	
Other Cost of Issuance	200,000.00
Delivery Date Expenses:	
Underwriter's Discount	552,175.00
	116,265,000.00

[*] Estimated balances, (tbd).

D.A. DAVIDSON
FIXED INCOME CAPITAL MARKETS

BOND SUMMARY STATISTICS

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Dated Date	12/01/2031
Delivery Date	12/01/2031
First Coupon	06/01/2032
Last Maturity	12/01/2061
Arbitrage Yield	4.000000%
True Interest Cost (TIC)	4.038914%
Net Interest Cost (NIC)	4.000000%
All-In TIC	4.053079%
Average Coupon	4.000000%
Average Life (years)	19.630
Weighted Average Maturity (years)	19.630
Duration of Issue (years)	13.126
Par Amount	110,435,000.00
Bond Proceeds	110,435,000.00
Total Interest	86,712,000.00
Net Interest	87,264,175.00
Bond Years from Dated Date	2,167,800,000.00
Bond Years from Delivery Date	2,167,800,000.00
Total Debt Service	197,147,000.00
Maximum Annual Debt Service	7,524,400.00
Average Annual Debt Service	6,571,566.67
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	99.500000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Term Bond due 2061	110,435,000.00	100.000	4.000%	19.630	07/18/2051	192,156.90
	110,435,000.00			19.630		192,156.90

	TIC	All-In TIC	Arbitrage Yield
Par Value	110,435,000.00	110,435,000.00	110,435,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-552,175.00	-552,175.00	
- Cost of Issuance Expense		-200,000.00	
- Other Amounts			
Target Value	109,882,825.00	109,682,825.00	110,435,000.00
Target Date	12/01/2031	12/01/2031	12/01/2031
Yield	4.038914%	4.053079%	4.000000%

D.A. DAVIDSON
FIXED INCOME CAPITAL MARKETS

BOND DEBT SERVICE

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2032			2,208,700	2,208,700	
12/01/2032	1,280,000	4.000%	2,208,700	3,488,700	5,697,400
06/01/2033			2,183,100	2,183,100	
12/01/2033	1,335,000	4.000%	2,183,100	3,518,100	5,701,200
06/01/2034			2,156,400	2,156,400	
12/01/2034	1,500,000	4.000%	2,156,400	3,656,400	5,812,800
06/01/2035			2,126,400	2,126,400	
12/01/2035	1,560,000	4.000%	2,126,400	3,686,400	5,812,800
06/01/2036			2,095,200	2,095,200	
12/01/2036	1,740,000	4.000%	2,095,200	3,835,200	5,930,400
06/01/2037			2,060,400	2,060,400	
12/01/2037	1,810,000	4.000%	2,060,400	3,870,400	5,930,800
06/01/2038			2,024,200	2,024,200	
12/01/2038	2,000,000	4.000%	2,024,200	4,024,200	6,048,400
06/01/2039			1,984,200	1,984,200	
12/01/2039	2,080,000	4.000%	1,984,200	4,064,200	6,048,400
06/01/2040			1,942,600	1,942,600	
12/01/2040	2,285,000	4.000%	1,942,600	4,227,600	6,170,200
06/01/2041			1,896,900	1,896,900	
12/01/2041	2,375,000	4.000%	1,896,900	4,271,900	6,168,800
06/01/2042			1,849,400	1,849,400	
12/01/2042	2,595,000	4.000%	1,849,400	4,444,400	6,293,800
06/01/2043			1,797,500	1,797,500	
12/01/2043	2,700,000	4.000%	1,797,500	4,497,500	6,295,000
06/01/2044			1,743,500	1,743,500	
12/01/2044	2,930,000	4.000%	1,743,500	4,673,500	6,417,000
06/01/2045			1,684,900	1,684,900	
12/01/2045	3,050,000	4.000%	1,684,900	4,734,900	6,419,800
06/01/2046			1,623,900	1,623,900	
12/01/2046	3,300,000	4.000%	1,623,900	4,923,900	6,547,800
06/01/2047			1,557,900	1,557,900	
12/01/2047	3,430,000	4.000%	1,557,900	4,987,900	6,545,800
06/01/2048			1,489,300	1,489,300	
12/01/2048	3,700,000	4.000%	1,489,300	5,189,300	6,678,600
06/01/2049			1,415,300	1,415,300	
12/01/2049	3,850,000	4.000%	1,415,300	5,265,300	6,680,600
06/01/2050			1,338,300	1,338,300	
12/01/2050	4,135,000	4.000%	1,338,300	5,473,300	6,811,600
06/01/2051			1,255,600	1,255,600	
12/01/2051	4,300,000	4.000%	1,255,600	5,555,600	6,811,200
06/01/2052			1,169,600	1,169,600	
12/01/2052	4,610,000	4.000%	1,169,600	5,779,600	6,949,200
06/01/2053			1,077,400	1,077,400	
12/01/2053	4,795,000	4.000%	1,077,400	5,872,400	6,949,800
06/01/2054			981,500	981,500	
12/01/2054	5,125,000	4.000%	981,500	6,106,500	7,088,000
06/01/2055			879,000	879,000	
12/01/2055	5,330,000	4.000%	879,000	6,209,000	7,088,000
06/01/2056			772,400	772,400	
12/01/2056	5,685,000	4.000%	772,400	6,457,400	7,229,800
06/01/2057			658,700	658,700	
12/01/2057	5,910,000	4.000%	658,700	6,568,700	7,227,400
06/01/2058			540,500	540,500	
12/01/2058	6,290,000	4.000%	540,500	6,830,500	7,371,000
06/01/2059			414,700	414,700	
12/01/2059	6,545,000	4.000%	414,700	6,959,700	7,374,400
06/01/2060			283,800	283,800	
12/01/2060	6,955,000	4.000%	283,800	7,238,800	7,522,600
06/01/2061			144,700	144,700	
12/01/2061	7,235,000	4.000%	144,700	7,379,700	7,524,400
	110,435,000		86,712,000	197,147,000	197,147,000

NET DEBT SERVICE

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Principal	Interest	Total Debt Service	Net Debt Service
12/01/2032	1,280,000	4,417,400	5,697,400	5,697,400
12/01/2033	1,335,000	4,366,200	5,701,200	5,701,200
12/01/2034	1,500,000	4,312,800	5,812,800	5,812,800
12/01/2035	1,560,000	4,252,800	5,812,800	5,812,800
12/01/2036	1,740,000	4,190,400	5,930,400	5,930,400
12/01/2037	1,810,000	4,120,800	5,930,800	5,930,800
12/01/2038	2,000,000	4,048,400	6,048,400	6,048,400
12/01/2039	2,080,000	3,968,400	6,048,400	6,048,400
12/01/2040	2,285,000	3,885,200	6,170,200	6,170,200
12/01/2041	2,375,000	3,793,800	6,168,800	6,168,800
12/01/2042	2,595,000	3,698,800	6,293,800	6,293,800
12/01/2043	2,700,000	3,595,000	6,295,000	6,295,000
12/01/2044	2,930,000	3,487,000	6,417,000	6,417,000
12/01/2045	3,050,000	3,369,800	6,419,800	6,419,800
12/01/2046	3,300,000	3,247,800	6,547,800	6,547,800
12/01/2047	3,430,000	3,115,800	6,545,800	6,545,800
12/01/2048	3,700,000	2,978,600	6,678,600	6,678,600
12/01/2049	3,850,000	2,830,600	6,680,600	6,680,600
12/01/2050	4,135,000	2,676,600	6,811,600	6,811,600
12/01/2051	4,300,000	2,511,200	6,811,200	6,811,200
12/01/2052	4,610,000	2,339,200	6,949,200	6,949,200
12/01/2053	4,795,000	2,154,800	6,949,800	6,949,800
12/01/2054	5,125,000	1,963,000	7,088,000	7,088,000
12/01/2055	5,330,000	1,758,000	7,088,000	7,088,000
12/01/2056	5,685,000	1,544,800	7,229,800	7,229,800
12/01/2057	5,910,000	1,317,400	7,227,400	7,227,400
12/01/2058	6,290,000	1,081,000	7,371,000	7,371,000
12/01/2059	6,545,000	829,400	7,374,400	7,374,400
12/01/2060	6,955,000	567,600	7,522,600	7,522,600
12/01/2061	7,235,000	289,400	7,524,400	7,524,400
	110,435,000	86,712,000	197,147,000	197,147,000

D A DAVIDSON
FIXED INCOME CAPITAL MARKETS

SUMMARY OF BONDS REFUNDED

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
7/21/20: Ser 21 NR SP, 5.00%, 100x, 50R+35C+PIF, FG+6% BiRe, TERM51:					
	12/01/2032	5.000%	1,870,000.00	12/01/2031	100.000
	12/01/2033	5.000%	1,965,000.00	12/01/2031	100.000
	12/01/2034	5.000%	2,175,000.00	12/01/2031	100.000
	12/01/2035	5.000%	2,285,000.00	12/01/2031	100.000
	12/01/2036	5.000%	2,515,000.00	12/01/2031	100.000
	12/01/2037	5.000%	2,645,000.00	12/01/2031	100.000
	12/01/2038	5.000%	2,890,000.00	12/01/2031	100.000
	12/01/2039	5.000%	3,040,000.00	12/01/2031	100.000
	12/01/2040	5.000%	3,310,000.00	12/01/2031	100.000
	12/01/2041	5.000%	3,475,000.00	12/01/2031	100.000
	12/01/2042	5.000%	3,775,000.00	12/01/2031	100.000
	12/01/2043	5.000%	3,965,000.00	12/01/2031	100.000
	12/01/2044	5.000%	4,285,000.00	12/01/2031	100.000
	12/01/2045	5.000%	4,500,000.00	12/01/2031	100.000
	12/01/2046	5.000%	4,855,000.00	12/01/2031	100.000
	12/01/2047	5.000%	5,100,000.00	12/01/2031	100.000
	12/01/2048	5.000%	5,480,000.00	12/01/2031	100.000
	12/01/2049	5.000%	5,755,000.00	12/01/2031	100.000
	12/01/2050	5.000%	6,180,000.00	12/01/2031	100.000
	12/01/2051	5.000%	6,490,000.00	12/01/2031	100.000
			76,555,000.00		

D.A. DAVIDSON
FIXED INCOME CAPITAL MARKETS

ESCROW REQUIREMENTS

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Dated Date	12/01/2031
Delivery Date	12/01/2031

7/21/20: Ser 21 NR SP, 5.00%, 100x, 50R+35C+PIF, FG+6% BiRe

Period Ending	Principal Redeemed	Total
12/01/2031	76,555,000.00	76,555,000.00
	76,555,000.00	76,555,000.00

D.A. DAVIDSON
FIXED INCOME CAPITAL MARKETS

PRIOR BOND DEBT SERVICE

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2032			1,913,875	1,913,875	
12/01/2032	1,870,000	5.000%	1,913,875	3,783,875	5,697,750
06/01/2033			1,867,125	1,867,125	
12/01/2033	1,965,000	5.000%	1,867,125	3,832,125	5,699,250
06/01/2034			1,818,000	1,818,000	
12/01/2034	2,175,000	5.000%	1,818,000	3,993,000	5,811,000
06/01/2035			1,763,625	1,763,625	
12/01/2035	2,285,000	5.000%	1,763,625	4,048,625	5,812,250
06/01/2036			1,706,500	1,706,500	
12/01/2036	2,515,000	5.000%	1,706,500	4,221,500	5,928,000
06/01/2037			1,643,625	1,643,625	
12/01/2037	2,645,000	5.000%	1,643,625	4,288,625	5,932,250
06/01/2038			1,577,500	1,577,500	
12/01/2038	2,890,000	5.000%	1,577,500	4,467,500	6,045,000
06/01/2039			1,505,250	1,505,250	
12/01/2039	3,040,000	5.000%	1,505,250	4,545,250	6,050,500
06/01/2040			1,429,250	1,429,250	
12/01/2040	3,310,000	5.000%	1,429,250	4,739,250	6,168,500
06/01/2041			1,346,500	1,346,500	
12/01/2041	3,475,000	5.000%	1,346,500	4,821,500	6,168,000
06/01/2042			1,259,625	1,259,625	
12/01/2042	3,775,000	5.000%	1,259,625	5,034,625	6,294,250
06/01/2043			1,165,250	1,165,250	
12/01/2043	3,965,000	5.000%	1,165,250	5,130,250	6,295,500
06/01/2044			1,066,125	1,066,125	
12/01/2044	4,285,000	5.000%	1,066,125	5,351,125	6,417,250
06/01/2045			959,000	959,000	
12/01/2045	4,500,000	5.000%	959,000	5,459,000	6,418,000
06/01/2046			846,500	846,500	
12/01/2046	4,855,000	5.000%	846,500	5,701,500	6,548,000
06/01/2047			725,125	725,125	
12/01/2047	5,100,000	5.000%	725,125	5,825,125	6,550,250
06/01/2048			597,625	597,625	
12/01/2048	5,480,000	5.000%	597,625	6,077,625	6,675,250
06/01/2049			460,625	460,625	
12/01/2049	5,755,000	5.000%	460,625	6,215,625	6,676,250
06/01/2050			316,750	316,750	
12/01/2050	6,180,000	5.000%	316,750	6,496,750	6,813,500
06/01/2051			162,250	162,250	
12/01/2051	6,490,000	5.000%	162,250	6,652,250	6,814,500
	76,555,000		48,260,250	124,815,250	124,815,250

BOND SOLUTION

GRANDVIEW RESERVE METROPOLITAN DISTRICT (Residential & Commercial)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2031
Pay & Cancel Refunding of (proposed) Series 2021 + New Money
50.000 (target) Res'l Mills + 35.000 (target) Comm'l Mills + PIF Revenues
Assumes Investment Grade, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6% Bi-Reassessment Projections)
[Preliminary -- for discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2032	1,280,000	5,697,400	5,697,400	5,701,118	3,718	100.06526%
12/01/2033	1,335,000	5,701,200	5,701,200	5,702,470	1,270	100.02228%
12/01/2034	1,500,000	5,812,800	5,812,800	5,815,154	2,354	100.04049%
12/01/2035	1,560,000	5,812,800	5,812,800	5,816,533	3,733	100.06422%
12/01/2036	1,740,000	5,930,400	5,930,400	5,931,471	1,071	100.01805%
12/01/2037	1,810,000	5,930,800	5,930,800	5,932,878	2,078	100.03503%
12/01/2038	2,000,000	6,048,400	6,048,400	6,050,114	1,714	100.02834%
12/01/2039	2,080,000	6,048,400	6,048,400	6,051,549	3,149	100.05207%
12/01/2040	2,285,000	6,170,200	6,170,200	6,171,131	931	100.01508%
12/01/2041	2,375,000	6,168,800	6,168,800	6,172,595	3,795	100.06152%
12/01/2042	2,595,000	6,293,800	6,293,800	6,294,568	768	100.01220%
12/01/2043	2,700,000	6,295,000	6,295,000	6,296,062	1,062	100.01687%
12/01/2044	2,930,000	6,417,000	6,417,000	6,420,474	3,474	100.05414%
12/01/2045	3,050,000	6,419,800	6,419,800	6,421,998	2,198	100.03424%
12/01/2046	3,300,000	6,547,800	6,547,800	6,548,899	1,099	100.01678%
12/01/2047	3,430,000	6,545,800	6,545,800	6,550,453	4,653	100.07109%
12/01/2048	3,700,000	6,678,600	6,678,600	6,679,893	1,293	100.01935%
12/01/2049	3,850,000	6,680,600	6,680,600	6,681,478	878	100.01314%
12/01/2050	4,135,000	6,811,600	6,811,600	6,813,506	1,906	100.02799%
12/01/2051	4,300,000	6,811,200	6,811,200	6,815,124	3,924	100.05761%
12/01/2052	4,610,000	6,949,200	6,949,200	6,949,793	593	100.00853%
12/01/2053	4,795,000	6,949,800	6,949,800	6,951,442	1,642	100.02363%
12/01/2054	5,125,000	7,088,000	7,088,000	7,088,805	805	100.01136%
12/01/2055	5,330,000	7,088,000	7,088,000	7,090,488	2,488	100.03510%
12/01/2056	5,685,000	7,229,800	7,229,800	7,230,598	798	100.01104%
12/01/2057	5,910,000	7,227,400	7,227,400	7,232,315	4,915	100.06800%
12/01/2058	6,290,000	7,371,000	7,371,000	7,375,227	4,227	100.05735%
12/01/2059	6,545,000	7,374,400	7,374,400	7,376,978	2,578	100.03496%
12/01/2060	6,955,000	7,522,600	7,522,600	7,522,749	149	100.00198%
12/01/2061	7,235,000	7,524,400	7,524,400	7,524,536	136	100.00180%
	110,435,000	197,147,000	197,147,000	197,210,398	63,398	

EXHIBIT E

ANNUAL REPORT AND DISCLOSURE FORM
(Sample attached)

EL PASO COUNTY SPECIAL DISTRICTS
ANNUAL REPORT and DISCLOSURE FORM

1. Name of Districts:	Grandview Reserve Metropolitan District Nos. 1 - 5
2. Report for Calendar Year:	2020
3. Contact Information	SPENCER FANE LLP Attention: Russell W. Dykstra 1700 Lincoln Street, Suite 2000 Denver, CO 80203-4554 Phone: 303-839-3845 E-mail: rdykstra@spencerfane.com
4. Meeting Information	Meeting information can be found by contacting the contact person listed above.
5. Type of Districts/ Unique Representational Issues (if any)	Colorado Revised Statutes Title 32 Metropolitan District, District No. 1 as proposed control district and District Nos. 2-5 as proposed financing districts
6. Authorized Purposes of the Districts	The Service Plan authorizes all permissible purposes as allowed under Colorado Revised Statutes Title 32
7. Active Purposes of the Districts	Proposed design, construction and completion of an estimated $235,000,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, stormwater and drainage, and park and recreation improvements
8. Current Certified Mill Levies a. Debt Service b. Operational c. Total	a. 50 Mills (as may be Gallagher adjusted) for residential districts and 35 Mills (as may be Gallagher adjusted) for commercial districts b. 10 Mills (as may be Gallagher adjusted) c. 60 Mills (as may be Gallagher adjusted)
9. Sample Calculation of Current Mill Levy for a Residential Property (as applicable).	Assume a residential property with a value of $400,000 x 7.15% = $28,600 (assessed value); $28,600 x .060 = $1,716 taxes per year due to the District Assume a commercial property with a value of $500,000 x 29% = $145,000 (assessed value); $145,000 x .045 = $6,525 taxes per year due to the District
10. Maximum Authorized Mill Levy Caps (Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals) a. Debt Service	a. 50 Mills (as may be Gallagher adjusted) for residential districts and 35 Mills (as may be Gallagher adjusted) for commercial districts b. 10 Mills (as may be Gallagher adjusted) c. 60 Mills (as may be Gallagher adjusted)

b. Operational c. Total	
11. Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as applicable).	See #9 above.
12. Current Outstanding Debt of the Districts (as of the end of year of this report)	N/A
13. Total voter-authorized debt of the Districts (including current debt)	N/A
14. Debt proposed to be issued, reissued or otherwise obligated in the coming year.	N/A
15. Major facilities/ infrastructure improvements initiated or completed in the prior year	N/A
16. Summary of major property exclusion or inclusion activities in the past year.	N/A

Reminder:

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

Name and Title of Respondent

Signature of Respondent Date

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

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

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

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

WOODMEN HILLS
METROPOLITAN DISTRICT

August 18, 2020

Paul J. Howard
1271 Kelly Johnson Blvd., Suite 100
Colorado Springs, CO 80920
paulhoward.LDC@outlook.com

Re: Potential Wastewater Service for the Grandview Reserve Subdivision

Dear Mr. Howard:

Woodmen Hills Metropolitan District (WHMD, the District) has been approached to potentially provide wastewater service for future development that lies on approximately 768 acres of land, roughly 1.3 miles northeast of the intersection of Stapleton Road and U.S. Highway 24. There are approximately 3,335 Single Family Equivalents (SFE's) proposed within this subdivision entitled Grandview Reserve.

As the regional wastewater provider in the area, the District may possibly have excess capacity to serve future development, contingent upon a potential service agreement, a future Inter-governmental Agreement (IGA) between the two agencies, and possible inclusion into the District. It is understood that Grandview Reserve will be responsible for building all required infrastructure to send wastewater to the WHMD's infrastructure.

Sincerely,

Jerry Jacobson
General Manager
Woodmen Hills Metropolitan District

Cc: John P. McGinn, District Engineer

RESOLUTION NO. 07-272

EXHIBIT A

SPECIAL DISTRICT POLICIES

I. PURPOSE, INTENT AND APPLICATION

A. **Purpose**. The purpose of these policies is to provide a framework for the evaluation of applications for new, amended and updated special district service plans as authorized by C.R.S. Title 32 and which are under the jurisdiction of the El Paso County Board of County Commissioners.

B. **Intent**. It is the intent that applications for new and revised service plans should be drafted to both address and be consistent with these policies. However, the applicant(s) for a proposed district or districts, or amendment to any existing service plan shall have the right to seek relief or modification from any of these stated policies, based on proper justification, to the extent allowable by law. The County, for its part, maintains its discretion to apply additional evaluation criteria, policies and limitations to the formation of new and revised districts, as the County may deem applicable.

C. **Model Service Plans**. New service plans and any major amendments thereof shall adhere to the applicable Model Service Plan formats as further addressed in Resolution No. 07-273 (June 25, 2007) as may be amended. The purposes of the model plan approach include standardizing the organization of information, and inclusion of standard language and limitations consistent with current Board policy. Additionally, this approach is intended to focus on variations from standard language and/or policy. The appropriate Model Service Plan template (i.e. Single District, Multiple District, and Master District) should be utilized and then modified as appropriate to address the particular needs and circumstances associated with a given application. Title 32 Special Districts which are not metropolitan districts should adhere to the Model Service Plan template to the extent possible.

D. **Required Hearings**. Prior to a hearing of the Board of County Commissioners, all service plans for new Title 32 Special Districts and Major Amendments thereof shall first be considered at a hearing of the Planning Commission in accordance with Colorado Revised Statutes and as further described in the El Paso County Land Development Code and its accompanying Procedures Manual. Any request

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

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

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

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

II. BACKGROUND

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

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

B. **Formation of Special District Task Force.** Since the County recognizes the value Special Districts provide in developing community infrastructure and services, a Special District Task Force was formed in early 2007, comprised of special district attorneys and managers, members of the development community, El Paso County Administration and Commissioners, and citizen representatives.

C. **Objectives of Special District Task Force.** The initial, 2006 objectives of the Task Force were (1) to recommend an updated Annual Report form; and (2) make a policy recommendation pertaining to developer advances. Additional objectives for 2007 included revising existing County policy and preparation of Model Service Plans. It was contemplated the Task Force may also be utilized to provide beneficial input regarding potential future legislative and technological changes. The importance of using the County Web site as a vehicle for communication and disclosure was also agreed upon.

D. **Outcome of Special District Task Force.** An updated Annual Report Form was prepared to include a single combined Annual Report and Disclosure form, approved by the Board of County Commissioners on December 18, 2006. County staff worked together to reference this document on the Assessor's tax bill and allow for internet availability. The developer funding agreement policy was proposed and approved by the Board of County Commissioners on December 28, 2006. Special District Model Service Plans and revised Policies were approved by the Board of County Commissioners on June 25, 2007.

III. OVERALL SERVICE PLAN POLICIES

A. **Conformity.** All proposed service plans shall be evaluated by both the applicant and County staff for conformity with the applicable standards contained in C.R.S. 32-1-203. Evaluation shall consist of more than a simple listing of the standards and/or statement that the service plan complies.

B. **Consistency.** All proposed service plans shall also be evaluated by the County for consistency with applicable elements of the El Paso County Master Plan, and with respect to these Special District Policies.

C. **Applicable Statutes and El Paso County Preferences.** It shall be the responsibility of the applicant to assure that service plans are drafted to meet all of the minimum requirements contained in C.R.S. Title 32, specifically including C.R.S. 32-1-202 (2) as well as all other applicable State requirements.

1. Districts which include water supply as one of their purposes shall be strongly encouraged to join the El Paso County Water Authority upon formation.
2. The preference of El Paso County is for the formation of conventional districts which accord full electoral representation to residents and property owners within the district(s) and/or service area(s).

D. **Application and Schedule.** Although the County will endeavor to be reasonably flexible in accommodating the scheduling needs of special district applicants, it is the ultimate responsibility of the applicants to allow sufficient time to meet the County's procedural guidelines and requirements for application processing.

E. **Review.** Service plans shall be drafted and processed in a manner that allows for coordination and input of all affected elected officials and County departments and other external agencies, specifically including the Clerk and Recorder, the Assessor and the Treasurer.

F. **Mill Levy Caps**

1. All proposed districts that rely significantly on future development to meet financing projections shall include mill levy caps as part of their service plans. To the extent permitted by law, such caps may be lifted once the district achieves the ratios of assessed valuation to debt and other requirements which would allow these caps to be removed. However, actual removal of a Board-imposed mill levy cap is subject to approval of the Board of County Commissioners at the time the cap is proposed to be removed. Removal of mill levy caps should be supported by justifications including, but not limited to, data establishing ratios of assessed valuation to debt that meet statutory criteria for the issuance of bonds without a mill levy cap, and enhancement of a district's ability to refinance debt at a more favorable rate (if proposed in connection with a refunding of debt).
2. The Maximum Debt Service Mill Levy Cap for Full Service Districts shall normally be 50 (fifty) mills, subject to Gallagher adjustment as permitted by law. Debt Service Caps for Limited Service Districts should be

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

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

G. <u>Disclosure, Notice and Annual Reports</u>

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

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

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

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

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

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

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

IV. SERVICE PLAN REQUIREMENTS & PROCEDURES

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

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

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

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

B. Eligible Improvements.

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

C. Acquisitions and Eminent Domain

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

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

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

D. Authorization of Debt and Issuance of Bonds

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

E. **Developer Funding Agreements**. Districts shall be allowed to prudently use developer funding agreements and/or capitalized interest as a means of compensating for delays in receipt of property tax and other revenues in newly developing districts.

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

F. **Multiple Districts.**

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

b. Clearly and comprehensively address the relationships among separate districts, including proposed intergovernmental agreements and contingencies for potential dissolution or combination.

c. Clearly address intent to fairly and equitably distribute costs and benefits among separate districts.

2. If justified in the Service plan(s) the Board may consider Multiple District concepts for the following purposes:

a. Accommodating the phasing of infrastructure financing for distinct major phases of a larger land development project

b. Allowing for differential mill levies between non-residential and residential areas within a larger project for the purposes of addressing the impact of the Gallagher Amendment.

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

1. The preference of El Paso County is for the formation of conventional districts that accord full electoral representation to residents and property owners within the district(s) and/or service area(s).

2. Service Plans that contemplate Master District concepts shall provide justification that the total number of proposed districts is the minimum necessary to effectively manage the infrastructure and operational needs of the service area.

3. In cases where one or more Master Districts will provide services or facilities to a larger defined service area, the applicants for the district shall use reasonable means (including mailings and/or informational meeting) to inform existing property owners of the proposed district arrangement.

4. Board of County Commissioners appointed Citizen Advisory Councils (CACs) should be actively considered as a means to allow a more formal role in the affairs of the Controlling Board of Directors, including, where appropriate, consideration of establishing the Chair of the CAC as either

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

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

H. <u>Covenant Enforcement and Homeowner's Association Functions</u>.

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

I. <u>Service Plan Amendments & Material Modifications</u>.

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

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

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

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

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

V. DEFINITIONS

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

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

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

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

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

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

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

- Maximum Combined Mill Levy Cap – The maximum combined Gallagher-adjusted ad valorem mill levy the district, or combination of districts which are part of a consolidated service plan, may certify against any property within the district(s) for any purposes.
- Minor Amendment – An amendment to an existing approved Service Plan which is not considered substantial enough to warrant the requirement for submittal of a complete revised Service Plan and the requirement for hearings by both the Planning Commission and the Board of County Commissioners, as determined by the Development Services Department Director in consultation with the County Attorney's Office Such Amendments specifically include but are not limited 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 and 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, preliminary plans, final plats, or any combinations of the foregoing which are consistent with and support the development assumptions included in the Service Plan.

RESOLUTION NO. 20-

BOARD OF COUNTY COMMISSIONERS
COUNTY OF EL PASO, STATE OF COLORADO

RESOLUTION TO APPROVE THE SERVICE PLAN FOR GRANDVIEW RESERVE METROPOLITAN DISTRICT NOS. 1-5 (ID-20-002)

WHEREAS, 4 Site Investments, LLC, did file an application with the Planning and Community Development Department of El Paso County, pursuant to Section 32-1-204 (2), C.R.S., for the review of a draft service plan for Click here to enter text. Metropolitan District; and

WHEREAS, a public hearing was held by the El Paso County Planning Commission on September 17, 2020, upon which date the Planning Commission did by formal resolution recommend approval of the subject Service Plan with conditions and a notation(s); and

WHEREAS, on September 22, 2020, the Board ordered a public hearing to be held on the Service Plan; and

WHEREAS, notice of the hearing before the Board was duly published in *The El Paso County Advertiser and News* on September 2, 2020, as required by law; and

WHEREAS, notice of the hearing before the Board was duly mailed by first class mail, to interested persons, defined as: The owners of record of all property within the proposed Title 32 district as such owners of record are listed in the proposed service plan; and the governing body of any municipality or special district which has levied an ad valorem tax within the next preceding tax year, and which has boundaries within a radius of three (3) miles of the proposed district's boundaries; and

WHEREAS, pursuant to the provisions of Title 32, Article 1, C.R.S., as amended, the Board held a public hearing on the Service Plan for the District on September 8, 2020; and

WHEREAS, based on the evidence, testimony, exhibits, consideration of the master plan for the unincorporated area of the County, study of the proposed service plan for Grandview Reserve Metropolitan Districts Nos. 1-5, presentation and comments of the El Paso County Planning and Community Development Department and other County representatives, comments of public officials and agencies, and comments from all interested persons, and comments by the El

Paso County Planning Commission during the hearing, this Board finds as follows:

1. That the application for the draft service plan for the Special District was properly submitted for consideration by the Planning Commission and Board of County Commissioners.

2. That proper publication and public notice were provided as required by law for the hearings before the Planning Commission and the Board of County Commissioners of El Paso County.

3. That the hearings before the Planning Commission and the Board of County Commissioners of El Paso County were extensive and complete, that all pertinent facts, matters and issues were submitted and that all interested persons were heard at those hearings.

4. That all exhibits were received into evidence.

5. There is sufficient existing and projected need for organized service in the area to be served by the proposed Special District.

6. Existing service in the area to be served by the proposed Special District is inadequate for present and projected needs.

7. The proposed Special District is capable of providing economical and sufficient service to the area within the proposed boundaries.

8. The area to be included in the proposed Special District has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis.

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

10. The facility and service standards of the proposed Special District are compatible with the facility and service standards of each county within which the proposed Special District is to be located and each municipality which is an interested party.

11. The proposal is in substantial compliance with a Master Plan adopted pursuant to C.R.S. §30-28-106.

12. The proposal is in compliance with any duly adopted county, regional or state long-range water quality management plan for the area.

13. The creation of the proposed Special District will be in the best interests of the area proposed to be served.

NOW, THEREFORE, BE IT RESOLVED the El Paso County Board of County Commissioners, Colorado, hereby determines that the requirements of Sections 32-1-207, C.R.S., relating to the modification of a service plan for the Grandview Reserve Metropolitan District Nos. 1-5 have been fulfilled in a timely manner;

BE IT FURTHER RESOLVED the Board hereby approves the Service Plan submitted for the Grandview Reserve Metropolitan District Nos. 1-5, for property more particularly described in Exhibit A, which is attached hereto and incorporated by reference;

AND BE IT FURTHER RESOLVED that the following Conditions shall be placed upon this approval:

CONDITIONS OF APPROVAL

1. As stated in the proposed service plan, the maximum combined mill levy shall not exceed 60 mills for any residential property and 45 mills for any commercial property within the Grandview Reserve Metropolitan District Nos. 1-5, with no more than 50 mills devoted to residential debt service, with no more than 35 mills devoted to commercial debt service, no more than 10 mills devoted to operations and maintenance, and unless the Districts receive Board of County Commissioner approval to increase the maximum mill levy.

2. As stated in the attached service plan, the maximum authorized debt for the Grandview Reserve Metropolitan District Nos. 1-5 shall be limited to $250 million until and unless the Districts receive Board of County Commissioner approval to increase the maximum authorized debt.

3. The approval of the service plan for the Grandview Reserve Metropolitan District Nos. 1-5 includes the ability of the Grandview Reserve Metropolitan District Nos. 1-5 to use eminent domain powers for the acquisition of property to be owned, controlled, or maintained by the Grandview Reserve Metropolitan District Nos. 1-5 or another public or non-profit entity and is for the material use or

benefit of the general public. The Districts may not use the power of eminent domain without an approval by the Board of County Commissioners at a publicly noticed hearing that the use of eminent domain is necessary in order for the Grandview Reserve Metropolitan District Nos. 1-5 to continue to provide service(s) within the Districts' boundaries and that there are no other alternatives that would not result in the need for the use of eminent domain powers.

4. As stated in the attached service plan, any future annexation of territory by the Grandview Reserve Metropolitan District Nos. 1-5 (any territory more than five (5) miles from any District boundary line) shall be considered a material modification of the service plan and shall require prior approval by the Board of County Commissioners.

5. The Grandview Reserve Metropolitan District Nos. 1-5 shall provide a disclosure form to future purchasers of property in a manner consistent with the approved Special District Annual Report form. The developer shall provide written notation on each subsequent final plat associated with the development of the annually filed public notice. County staff is authorized to administratively approve updates of the disclosure form to reflect current contact information and calculations.

6. The Grandview Reserve Metropolitan District Nos. 1-5 are expressly prohibited from creating separate sub-districts except upon prior notice to the Board of County Commissioners, and subject to the Board of County Commissioners right to declare such creation to be a material modification of the service plan, pursuant to C.R.S. § 32-1-1101(1)(f)(I).

7. As stated in the attached service plan, approval of the proposed service plan hereby gives the Grandview Reserve Metropolitan District Nos. 1-5 the express authority of covenant enforcement, including the imposition of fees for such enforcement without the additional 5 mills.

8. As stated in the attached service plan, the Grandview Reserve Metropolitan District Nos. 1-5 shall not have the authority to apply for or utilize any Conservation Trust ("Lottery") funds without the express prior consent of the Board of County Commissioners. The Districts shall have the authority to apply for and receive any other grant funds, including, but not limited to, Great Outdoors Colorado (GOCO) discretionary grants.

9. Approval of this application shall not constitute relinquishment or undermining of the County's authority to require the developer to complete subdivision improvements as required by the Land Development Code and Engineering Criteria Manual and to require subdivision improvement agreements or development agreements and collateral of the developer to guarantee the construction of improvements.

10. Any future proposed development of the subject parcels will require approval of a map amendment (rezone), preliminary plan and final plat(s), and such final plat(s) must be recorded prior to undertaking land disturbing activities, unless approval a pre-development site grading request is granted by the Board of County Commissioners at the preliminary plan stage or as a separate, stand-alone request.

11. The Grandview Reserve Metropolitan District Nos. 1-5 shall not be authorized to issue debt until and unless the underlying zoning for the Grandview Reserve development is approved by the Board of County Commissioners.

NOTATIONS

1. Approval of this service plan shall in no way be construed to infer a requirement or obligation of the Board of County Commissioners to approve any future land use requests within the boundaries of the Districts.

2. Any expansions, extensions, or construction of new facilities by the Grandview Reserve Metropolitan District Nos. 1-5 will require prior review by the Planning and Community Development Department to determine if such actions are subject to the requirements of Appendix B of the Land Development Code, Guidelines and

Regulations for Areas and Activities of State Interest (a.ka. "1041 Regulations).

AND BE IT FURTHER RESOLVED, the record and recommendations of the El Paso County Planning Commission be adopted, except as modified herein.

AND BE IT FURTHER RESOLVED that a certified copy of this Resolution shall be filed in the records of the County and submitted to the petitioners for the purpose of filing in the District Court of El Paso County.

AND BE IT FURTHER RESOLVED that all resolutions or parts thereof, in conflict with the provisions hereof, are hereby repealed.

DONE THIS 22nd day of September, 2020, at Colorado Springs, Colorado.

BOARD OF COUNTY COMMISSIONERS
EL PASO COUNTY, COLORADO

ATTEST:

By: _____
Chair

By: _____
County Clerk & Recorder

Exhibit A

GRANDVIEW RESERVE METROPOLITAN DISTRICT NOS. 1-5
LEGAL DESCRIPTION

A TRACT OF LAND BEING A PORTION OF THE SOUTH HALF OF SECTION 21, THE SOUTH HALF OF SECTION 22, THE NORTH HALF OF SECTION 28 AND SECTION 27, TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, BEING DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE EAST LINE OF SECTION 21, BEING MONUMENTED AT THE SOUTHEAST CORNER BY A 3-1/4" ALUMINUM SURVEYOR'S CAP STAMPED "PS INC PLS 30087 1996", BEING APPROPRIATELY MARKED, AND BEING MONUMENTED AT THE NORTHEAST CORNER BY A 3-1/4" ALUMINUM SURVEYOR'S CAP STAMPED "PS INC PLS 30087 1996", BEING APPROPRIATELY MARKED, BEING ASSUMED TO BEAR NORTH 00 DEGREES 52 MINUTES 26 SECONDS WEST, A DISTANCE OF 5290.17 FEET.

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 21; THENCE NORTH 00 DEGREES 52 MINUTES 26 SECONDS WEST ON THE EAST LINE OF SAID SECTION, A DISTANCE OF 2645.09 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 21, SAID POINT BEING THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 41 MINUTES 03 SECONDS EAST ON THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 22, A DISTANCE OF 3938.20 FEET; THENCE SOUTH 00 DEGREES 41 MINUTES 58 SECONDS EAST ON THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 22, A DISTANCE OF 2117.66 FEET TO A POINT ON THE NORTHWESTERLY RIGHT OF WAY LINE OF THE ROCK ISLAND REGIONAL TRAIL AS GRANTED TO EL PASO COUNTY IN THAT WARRANTY DEED RECORDED OCTOBER 21, 1994 IN BOOK 6548 AT PAGE 892, RECORDS OF EL PASO COUNTY, COLORADO; THENCE ON SAID NORTHWESTERLY RIGHT OF WAY, THE FOLLOWING FIVE (5) COURSES:

(1) SOUTH 45 DEGREES 55 MINUTES 49 SECONDS WEST, A DISTANCE OF 758.36 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22;
(2) NORTH 89 DEGREES 38 MINUTES 06 SECONDS EAST ON SAID SOUTH LINE, A DISTANCE OF 36.18 FEET;

(3) SOUTH 45 DEGREES 55 MINUTES 49 SECONDS WEST, A DISTANCE OF 3818.92 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 27;
(4) SOUTH 89 DEGREES 39 MINUTES 01 SECONDS WEST ON SAID NORTH LINE, A DISTANCE OF 36.17 FEET;
(5) SOUTH 45 DEGREES 55 MINUTES 49 SECONDS WEST, A DISTANCE OF 855.35 FEET TO A POINT ON THE EASTERLY LINE OF SAID SECTION 28;

THENCE NORTH 00 DEGREES 21 MINUTES 45 SECONDS WEST ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 591.16 FEET TO THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE NORTH 00 DEGREES 21 MINUTES 38 SECONDS WEST ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1319.24 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28; THENCE NORTH 89 DEGREES 47 MINUTES 08 SECONDS WEST ON SAID SOUTH LINE, A DISTANCE OF 4692.55 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF EXISTING EASTONVILLE ROAD (60.00 FOOT WIDE); THENCE ON SAID EASTERLY RIGHT OF WAY AS DEFINED BY CERTIFIED BOUNDARY SURVEY, AS RECORDED JULY 18, 2001 UNDER RECEPTION NO. 201900096, THE FOLLOWING FIVE (5) COURSES:

(1) ON THE ARC OF A CURVE TO THE LEFT, WHOSE CENTER BEARS NORTH 04 DEGREES 31 MINUTES 28 SECONDS EAST, HAVING A DELTA OF 24 DEGREES 31 MINUTES 32 SECONDS, A RADIUS OF 1630.00 FEET, A DISTANCE OF 697.73 FEET TO A POINT OF TANGENT;
(2) NORTH 07 DEGREES 40 MINUTES 18 SECONDS WEST, A DISTANCE OF 777.34 FEET TO A POINT OF CURVE;
(3) ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 39 DEGREES 01 MINUTES 10 SECONDS, A RADIUS OF 1770.00 FEET, A DISTANCE OF 1205.40 FEET TO A POINT OF TANGENT;
(4) NORTH 31 DEGREES 20 MINUTES 52 SECONDS EAST, A DISTANCE OF 1517.37 FEET TO A POINT OF CURVE;
(5) ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 02 DEGREES 07 MINUTES 03 SECONDS, A RADIUS OF 1330.00 FEET, A DISTANCE OF 49.15 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH HALF OF SAID SECTION 21;

THENCE SOUTH 89 DEGREES 50 MINUTES 58 SECONDS EAST ON SAID NORTH LINE, A DISTANCE OF 3635.53 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION CONVEYED IN DEED RECORDED AUGUST 24, 2005 AT RECEPTION NO. 205132124;

AND EXCEPT A PORTION OF THE NORTHWEST QUARTER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE NORTHERLY LINE OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE NORTHWEST CORNER AND THE NORTHEAST CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "PS INC 1996 PLS 30087", BEING ASSUMED TO BEAR SOUTH 89 DEGREES 47 MINUTES 04 SECONDS EAST A DISTANCE OF 5285.07 FEET.

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 28; THENCE SOUTH 29 DEGREES 17 MINUTES 14 SECONDS EAST, A [DDO 1315.12 FEET TO THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 58 MINUTES 12 SECONDS EAST, A DISTANCE OF 288.62 FEET; THENCE SOUTH 41 DEGREES 03 MINUTES 22 SECONDS WEST, A DISTANCE OF 139.03 FEET; THENCE SOUTH 41 DEGREES 52 MINUTES 38 SECONDS WEST, A DISTANCE OF 21.11 FEET; THENCE SOUTH 44 DEGREES 47 MINUTES 01 SECONDS WEST, A DISTANCE OF 42.37 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 08 SECONDS EAST, A DISTANCE OF 679.35 FEET; THENCE SOUTH 00 DEGREES 12 MINUTES 52 SECONDS WEST, A DISTANCE OF 25.00 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28; THENCE NORTH 89 DEGREES 47 MINUTES 08 SECONDS WEST AND ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28, A DISTANCE OF 934.84 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF EASTONVILLE ROAD AS RECORDED IN THE EL PASO COUNTY RECORDS JULY 18, 2001 UNDER RECEPTION NO. 201900096, SAID POINT BEING A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS NORTH 73 DEGREES 08 MINUTES 46 SECONDS WEST HAVING A DELTA OF 06 DEGREES 19 MINUTES 02 SECONDS, A RADIUS OF 1630.00 FEET, A DISTANCE OF 179.72 FEET TO THE POINT OF BEGINNING.