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May 4, 2023

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 Flying Horse North  
Metropolitan District Nos. 1 - 5**

Dear Ms. Parsons:

The proposed formation of Flying Horse North Metropolitan District Nos. 1 - 5 (collectively, the "Districts") encompasses approximately 910 acres of land generally located southwest of the intersection of Hodgen Road and Black Forest Road in El Paso County, Colorado (Schedule Numbers 5130000004, 5130000002, 5131000001, 5100000437, 6136000005, 6136000003, 6136004038, 6136004001, 6136004002) (the "Property"). The development within the Districts' boundaries is anticipated to consist of approximately 800 single family homes with a value of \$1,500,000, 50 single family homes with a value of \$6,000,000, 50 single family homes with a value of \$3,000,000, a 50,000 square foot golf club house, a 50,000 square foot fitness center, a 30,000 square foot convention center, and a 225 room hotel (hotel complex per the approved Sketch Plan). The number of anticipated homes and the amount of commercial and hotel development 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").

**A. Purpose of the Districts**

The primary purposes of the Districts are to provide for the construction, installation, completion, financing and possible ownership, operation and maintenance of public improvements including, but not limited to, water and sanitary sewer infrastructure; street and road improvements, including two potential major intersections; storm drainage and detention facilities; and park and recreation improvements, including significant open space and trails, connection to the Black Forest Regional Park, large community park, multiple pocket parks, an athletic facility, and community convention center; roadway, water, sanitary sewer, stormwater and drainage, and park and recreation (including a golf clubhouse, fitness center, and community convention center) improvements, facilities, and services and powers provided for metropolitan districts authorized by the Special District Act, pursuant

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to Title 32, C.R.S. and provided within similar districts within the County. It is anticipated that District No. 1 will function as the operating district in order to coordinate the financing and construction of the public improvements for the project and District Nos. 2-5, in coordination with District No. 1, will finance the construction of the public improvements. 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.

Furthermore, the creation of the Districts is necessary to serve the 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 Property. Although the Flying Horse Metropolitan District Nos. 1-3 ("Flying Horse Districts") are ~~adjacent-near to~~ the Districts, the Flying Horse Districts are not able or willing to finance or construct the public improvements necessary for the Property. The Flying Horse Districts are not in a position to fund the improvements in the areas proposed for the Districts because such districts are in the process of developing and have experienced slowdowns, changes in development projections, and increases in construction costs. The formation of the Districts avoids burdening the property owners and residents in the Flying Horse Districts from financing the public infrastructure within the new project and allows the Flying Horse Districts to exist on their own while the new project develops. Moreover, the Flying Horse Districts are in the City of Colorado Springs and cannot include property that is located within the County.

At this time, the Developer anticipates Black Forest Fire Protection District will provide fire protection services and Cherokee Metropolitan District ("Cherokee") will provide water and sanitary sewer services to the Property following the construction and installation of the necessary infrastructure, including, but not limited to, water improvements, sewer improvements, and fire hydrants. Cherokee has provided a letter stating that it is willing to provide water and sanitary sewer services to the Property. A copy of the will serve letter is enclosed herewith. The Districts are anticipated to enter into an IGA with Cherokee regarding the payment for water rights and for the provision of such services.

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

## **B. Justification and Information Regarding Multiple District Structure**

The Districts will serve a large project with significant infrastructure that will be developed over several years. The build-out schedule represented in the financial plan attached to the service plan is consistent with the approved Sketch Plan, subject to market conditions and demand. 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. It is currently estimated that 152 residential units will be added in both 2025 and 2026; 149 residential units will be added in years 2027 through 2030; and the golf clubhouse, fitness center, community convention center, and hotel (hotel complex per the

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approved Sketch Plan) will be added in 2026. The multi-district structure set forth in the Service Plan, with District No. 1 anticipated to function as the operating district, 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 a district being forced to issue bonds early in the project and burdening early phases of the development with the costs of the public improvements for the entire project. Use of District No. 1 as the operations district to facilitate the long-term construction, financing, and operation of the public improvements will guarantee the areas within the Property are responsible for funding their fair and equitable share of the costs of capital improvements and operations. Although District No. 1 is anticipated to function as the operations district, District No. 1 is also anticipated to include commercial development within its boundaries. The Districts will enter into an inter-district agreement further governing their relationship, if necessary.

### **C. Development and Financial Plans**

The Developer of the Property is PRI #2 LLC. HR Green, Inc. generated the cost estimates for the proposed public improvements. It should be noted that such 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, the 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.

The Developer and the Districts intend to work with applicable service providers, including Cherokee and Black Forest Fire Protection District, to obtain the necessary consents and/or approvals (as necessary) for the provision of necessary public services to the Districts including, but not limited to, water, sanitary sewer, and fire protection services. 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.

### **D. Compliance with County Master Plans**

The Districts will provide the needed facilities and services to the Property, along with representation and the flexibility to respond to the unique needs of the Property. The Developer is requesting to form five metropolitan districts to allow for phasing of infrastructure construction and financing during the initial and later phases of development and to differentiate the residential portions of the project from the commercial portions.

#### **1. Compliance with Your EPC Master Plan**

The Districts are being formed to construct and provide public services in compliance with Your EPC Master Plan. In addition, the formation of the Districts will encourage policies that ensure "development pays for itself," as discussed further below.

The Flying Horse North Community ("FHN") Sketch Plan aligns with many of El Paso County's Master Plan Core principles and aims to balance both growth and preservation. The mix of housing densities and the mix of uses proposed with the Sketch Plan are consistent with several of the Plan's

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**Goals and Objectives.** Estate lots were placed near the south of the site where the site is forested to allow the majority of trees to remain unharmed. This also provides logical land use transitions from the estate lots currently located immediately south of FHN. Lower density lots are being proposed to be located on the perimeter of the development and Ssmaller acre lots are being proposed in the internal area of the site, which promotes a density transition and improves compatibility with surrounding residential densities. There will be large areas of open space with trails throughout the higher density portion of the site. Multiple housing types will be provided to support aging-in-place housing options to meet residents' needs through all stages of life.

The east-west connection of Stagecoach Road will be kept intact with this development. This will preserve the connection between Highway 83 and Black Forest Road and will be the primary east-west route for FHN. Walking and biking will be promoted by the significant open space and a trail system that connects FHN to the adjacent County Regional Trail.

The formation of the Districts will allow "development to pay for itself," as the properties within the Districts' boundaries will contribute to the financing of the public infrastructure serving such properties. The Districts will construct many of the high-quality facilities and plentiful parks and open space areas. The Districts will also construct miles of infrastructure including roadway, sanitary sewer, water, and stormwater for the Property. Infrastructure will be designed to satisfy local codes and ordinances. The protection of water quality and minimization of impacts of flooding downstream will be managed by implementing storm infrastructure, full spectrum detention ponds, and preserving many of the existing drainageways.

FHN will provide outdoor recreation including a fitness club, amenity center, parks, open space and trails as various recreational amenities for future residents of this community.

## 2. Compliance with Water Master Plan

The land plan for FHN references El Paso County's Water Master Plan goals and implementation strategies to incorporate efficiency and conservation. The area that the FHN community will be located is within Region 2 of the El Paso County Master Plan. Region 2 is the only region in El Paso County that is projected to have an average-year water surplus in 2060.

It is anticipated that Cherokee Metropolitan District will provide water and wastewater services to the Property. The proposed water sources for this project are either renewable or meet the 300-year rule for quantity. The water system will be designed with redundant equipment and backup power generation for critical facilities to ensure dependability. Additionally, multiple water sources will serve to mitigate any potential single source failure.

Water wells, conveyance, and treatment will be used to provide water for the project. New wells are anticipated to be Arapahoe and Laramie-Fox Hills. By utilizing these aquifers, the proposed development would not impact the surrounding lots' individual (typically Dawson) wells.

Table 1 below summarizes the overall water demand projections for Flying Horse North.

*Table 1: Water Demand Summary*

Annual Water Demand (Ac-Ft)
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Residential – 846 Units	420.20
Hotel - 225 rooms, 50 branded flats, meeting space, spa, bars, pools, etc.	114.91
Commercial and Parks - Black Forest Rd, internal site, amenity and fitness centers, parks, etc.	49.52
<b>TOTAL</b>	<b>584.63</b>

FHN will be served by a new central water system. The central system will be equipped with fire hydrants to assist the Black Forest Fire Protection District by adding connection points to recharge their pumper trucks. FHN will include restrictions on the square footage of irrigated sod each residential lot is allowed. Additionally, the open spaces will be predominately native vegetation and not irrigated as the parks will be designed to incorporate xeric landscaping as much as possible. More detailed information and studies regarding quality, source water monitoring, strategies regarding regional planning goals and dependability/redundancy are provided in the Preliminary Plan phase.

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 for the FHN:

- 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

### 3. Compliance with EPC Major Transportation Corridor Plan

FHN roads are being designed to El Paso County standards. State Highway 83 is to be widened to 4 or 6 lanes per the MTCP plan along with the realignment of Black Forest Road at Hodgen.

FHN will provide sidewalks throughout the development and a connected street and trail network as shown on the Sketch Plan. Additionally, FHN will provide the County Regional Trail in a north/south direction as shown on the plan. Final details are to be worked out with the County Parks Department. Many on and off-street bicycle facilities will be provided to accommodate cyclists and pedestrians at the Preliminary Plan stage.

Two main points of access will allow for multiple secondary connections to adjacent properties. FHN is also providing multiple access points and will include a key connection to Holmes Road on the south side that will allow emergency access and serve as a potential fire evacuation route north and south.

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#### 4. Compliance with EPC Parks Master Plan

FHN's proposed development meets the requirements defined in the EPC Parks Master Plan by maintaining the natural landscape alongside the development. FHN will provide an interconnected system of parks, trails, and open space that is equitably distributed within the community. The County trail will be open to the public and will be placed in an easement. The remaining trail system for FHN will be owned and maintained by the Districts or a homeowner's association.

FHN exceeds the County's 10% requirement for open space and proposes a well-designed trail and open space system. Higher housing densities than the surrounding area are proposed yet FHN provides 22% of the developed area in open space.

The FHN trail system will be connected to the existing County trail that currently terminates at the Black Forest Regional Park located immediately south of this property and will provide an extension to the north where it will terminate at Hodgen Road. This trail system will help fill potential "gaps" in the regional system by making this key connection. This regional trail extension is to be maintained by the County and will be placed in an easement so it can be used by the public.

FHN will preserve natural features and areas by utilizing significant drainage-ways as trail/open space corridors. While the Parks Department does not desire a County park on this property, FHN will provide significant parks for future residents. This concept supports the greater goal of the County Parks goal of protecting and enhancing the unique natural features.

#### E. Service Plan Conformity

The proponent for the formation of the Districts intends that the 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:

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

The purposes of the Districts are to finance and construct certain public improvements and to provide other additional services necessary to support the 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 and sanitary sewer infrastructure; street and road improvements, including two potential major intersections; storm drainage and detention facilities; and park and recreation improvements, including significant open space and trails, connection to the Black Forest Regional Park, large community park, multiple pocket parks, an athletic facility, and community convention center. ~~roadway, water, sanitary sewer, stormwater and drainage, and park and recreation (including a golf clubhouse, fitness center, and community convention center) improvements and facilities.~~ Financing and constructing

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these public improvements through the Districts will lower costs and ensure the costs are spread among those in the community that will benefit from such development. Although the Flying Horse Metropolitan District Nos. 1-3 ("Flying Horse Districts") are near the Districts, the Flying Horse Districts are not able or willing to finance or construct the public improvements necessary for the Property. The Flying Horse Districts are not in a position to fund the improvements in the areas proposed for the Districts because such districts are in the process of developing and have experienced slowdowns, changes in development projections, and increases in construction costs. The formation of the Districts avoids burdening the property owners and residents in the Flying Horse Districts from financing the public infrastructure within the new project and allows the Flying Horse Districts to exist on their own while the new project develops. Moreover, the Flying Horse Districts are in the City of Colorado Springs and cannot include property that is located within the County.

2. 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, as 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 Property. Although the Flying Horse Metropolitan District Nos. 1-3 (the "Flying Horse Districts") are ~~adjacent to~~ near the Districts, the Flying Horse Districts are not able or willing to finance or construct the public improvements necessary for the Property. The Flying Horse Districts are not in a position to fund the improvements in the areas proposed for the Districts because such districts are in the process of developing and are experiencing slowdowns, changes in development projections, and increases in construction costs. The formation of the Districts avoids burdening the property owners and residents in the Flying Horse Districts from financing the public infrastructure within the new project and allows the Flying Horse Districts to exist on their own while the new project develops. Moreover, the Flying Horse Districts are in the City of Colorado Springs and cannot include property that is located within the County.

3. 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 proposed improvements and services the Districts will provide include water and sanitary sewer infrastructure; street and road improvements, including two potential major intersections; storm drainage and detention facilities; and park and recreation improvements, including significant open space and trails, connection to the Black Forest Regional Park, large community park, and multiple pocket parks. 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, including tax-exempt financing, will help lower the costs of the public improvements.

4. 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's rules and regulations.

The estimated costs of the improvements and facilities to be constructed, installed, and/or acquired by the Districts are approximately \$~~424,394~~,000,000. 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 (50 mills, as adjusted) and other legally available revenue. Further, the maximum period for maturity for issuance of debt is limited to thirty years. 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. The financial plan attached to the Service Plan demonstrates one example of how the Districts may finance the public improvements.

The Board of County Commissioners may also consider in its discretion the following criteria:

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- ~~51.~~ 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 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, as 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 Property. Although the Flying Horse Metropolitan District Nos. 1-3 (the "Flying Horse Districts") are ~~adjacent to~~near the Districts, the Flying Horse Districts are not able or willing to finance or construct the public improvements necessary for the Property. The Flying Horse Districts are not in a position to fund the improvements in the areas proposed for the Districts because such districts are in the process of developing and are experiencing slowdowns, changes in development projections, and increases in construction costs. The formation of the Districts avoids burdening the property owners and residents in the Flying Horse Districts from financing the public infrastructure within the new project and allows the Flying Horse Districts to exist on their own while the new project develops. Moreover, the Flying Horse Districts are in the City of Colorado Springs and cannot include property that is located within the County.

- ~~62.~~ The facility and service standards of the proposed Districts are compatible with the facility and service standards of the County;



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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.

73. 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. Additional information about how the proposal complies with the County's master plan is discussed above.

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

Cherokee Metropolitan District is anticipated to be the water and sanitary sewer provider for the Property. The proposed water sources for this project are either renewable or meet the 300-year rule for quantity. The water system will be designed with redundant equipment and backup power generation for critical facilities to ensure dependability. Additionally, multiple water sources will serve to mitigate any potential single source failure.

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

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, as 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 Property. Although the Flying Horse Metropolitan District Nos. 1-3 (the "Flying Horse Districts") are ~~adjacent~~ near to the Districts, the Flying Horse Districts are not able or willing to finance or construct the public improvements necessary for the Property. The Flying Horse Districts are not in a position to fund the improvements in the areas proposed for the Districts because such districts are in the process of developing and are experiencing slowdowns, changes in development projections, and increases in construction costs. 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. The formation of the Districts avoids burdening the property owners and residents in the Flying Horse Districts from financing the public infrastructure within the new project and allows the Flying Horse Districts to exist on their own while the new project develops. Moreover, the Flying Horse Districts are in the City of Colorado Springs and cannot include property that is located within the County.

#### F. Major Service Plan Points

- Approximately 910 acres of property within the boundaries of the Districts.
- Completion of an estimated ~~\$424~~394,000,000 of public improvements including, but not limited to, water and sanitary sewer infrastructure; street and road improvements, including two potential major intersections; storm drainage and detention facilities; and park and recreation improvements, including significant open space and trails, connection to the Black Forest Regional Park, large community park, multiple pocket parks, an athletic facility, and community convention center ~~roadway, water, sanitary sewer, stormwater and drainage, and park and recreation (including a golf clubhouse, fitness center, and community convention center) improvements and facilities.~~
- Anticipated development of approximately 900 residential units, a 50,000 square foot golf club house, a 50,000 square foot fitness center, a 30,000 square foot community convention center, and a 225-room hotel (hotel complex per the approved Sketch Plan). 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 of the Property at time of complete build-out is \$172,844,642.
- The initial estimated cost of the public improvements needed for the project is ~~\$394~~424,000,000. 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, 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.) 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.
- Each District will have a Maximum Mill Levy of 65 mills inclusive of debt (50 mills) and operations and administration (15 mills).
- Requested Debt Authorization of \$450,000,000 allows for contingencies and financing variations based upon changes to construction costs, development build out and absorption of the project.

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- 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.
- 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 are consistent with the County's model service plan.
- 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 2025 with a 30-year term and then a refinance in 2035, which extends the term to 2065. 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 years 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 the 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.

#### **G. Conclusion**

The Service Plan for the Flying Horse North Metropolitan District Nos. 1 - 5 will serve the best interests of the taxpayers, property owners and development of the property within the 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

Enclosures