

EL PASO COUNTY



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PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
CRAIG DOSSEY, EXECUTIVE DIRECTOR

TO: El Paso County Board of County Commissioners
Mark Waller, Chair

FROM: Kari Parsons, Planner III
Jeff Rice, Engineer III
Craig Dossey, Executive Director

RE: Project File #: ID-17-002
Project Name: Retreat Metro Districts Nos. 1-2
Parcel Nos.: 52000-00-398, 52270-00-001, 52270-00-003, 52270-00-004,
52280-00-019 & 52220-00-023

APPLICANTS:	REPRESENTATIVE:
TimberRidge Development Group, LLC TimberRidge Estates, LLC 6385 Corporate Drive, Suite 200 Colorado Springs, CO 80919	Spencer Fane, LLP 1700 Lincoln Street, Suite 2000 Denver, CO 80203-4554

Commissioner District: 2

Planning Commission Hearing Date:	08/20/19
Board of County Commissioners Hearing Date:	09/10/19

EXECUTIVE SUMMARY

A request by TimberRidge Development Group, LLC, and TimberRidge Estates, LLC, for approval of a Colorado Revised Statutes Title 32 Special Multiple District service plan for Retreat Metropolitan Districts Nos. 1 and 2. The proposed Districts are located north of the proposed Briargate-Stapleton corridor, east of Vollmer Road and adjacent to Arroya Lane and within Sections 21, 22, 27, and 28, Township 12 South, Range 65 West of the 6th P.M. The applicants are proposing the following: a maximum debt authorization of \$14.5 million, a debt service mill levy of 50 mills, an operations and maintenance mill levy of 10 mills, and 5 mills for covenant enforcement. The proposed maximum combined mill levy is 65 mills. The Special District Policy III.F.2 states:

2880 INTERNATIONAL CIRCLE, SUITE 110
PHONE: (719) 520-6300



COLORADO SPRINGS, CO 80910-3127
FAX: (719) 520-6695

The statutory purposes of the proposed Districts include: 1) water and sewage disposal services, 2) street improvements, transportation and safety protection; 3) design, construction, and maintenance of drainage facilities; 4) design, acquisition of land, construction, and maintenance of recreation facilities; 5) mosquito control; 6) covenant enforcement, 7) television relay and translation, and 8) security services. Properties within the boundaries of the proposed Districts are included within the Black Forest Preservation Plan (1987).

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 of proposed structures. 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 Districts may exercise the power of eminent domain only as necessary to further the clear public purposes of the Districts.

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.

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 are able to exercise their 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 below.

A. PLANNING COMMISSION SUMMARY

Request Heard: As a Regular item at the August 20, 2019 hearing.

Recommendation: Approval based on recommended conditions and notations.

Waiver Recommendation: N/A

Vote: 6 to 0

Vote Rationale: N/A

Summary of Hearing: The applicants were represented at the hearing. Planning Commission draft minutes are attached.

Legal Notice: Advertised in Shopper's Press on August 21, 2019

B. REQUEST/WAIVERS/AUTHORIZATION

Request: A request for approval of a Colorado Revised Statute Title 32 Multiple Special District service plan for Retreat Metropolitan Districts Nos. 1 and 2. The applicant is proposing the following: a maximum debt authorization of \$14.5 million, a debt service mill levy of 50 mills, an operations and maintenance mill levy of 10 mills and 5 mills for covenant enforcement, and a maximum combined mill levy of 65 mills,. The statutory purposes of the proposed Districts include: 1) water and sewage disposal services, 2) street improvements, transportation and safety protection; 3) design, construction, and maintenance of drainage facilities; 4) design, acquisition of land, construction, and maintenance of recreation facilities; 5) mosquito control; 6) covenant enforcement, 7) television relay and translation, and 8) security services.

Authorization to sign: N/A

C. RECOMMENDED CONDITIONS AND NOTATIONS

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

CONDITIONS OF APPROVAL

1. As stated in the proposed service plan, the maximum combined mill levy, including mills for debt service, operations and maintenance, and covenant enforcement shall not exceed 65 mills for any property within the Districts, with no more than 50 mills devoted to debt service, no more than 10 mills devoted to operations and maintenance, and no more than 5 mills for covenant enforcement until and unless the Districts receive Board of County Commissioner approval to increase the maximum mill levies.
2. As stated in the attached service plan, the maximum authorized debt for the Districts shall be limited to \$14.5 million until and unless the Districts receive Board of County Commissioner approval to increase the maximum authorized debt.
3. Approval of the service plan for the proposed Districts includes the use of eminent domain powers by the Districts for the acquisition of property that the Districts intend to be owned, controlled, or maintained by the Districts or other 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 a recommendation by the Board of County Commissioners at a publicly noticed hearing that the use of eminent domain is necessary in order for the Districts 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 Districts (any territory more than five (5) miles from any District boundary line) shall be considered a material modification of the amended Service Plan and shall require prior Board of County Commissioners' approval.
5. The Districts shall provide a disclosure form to future purchasers of property in a form consistent with the approved Special District Annual Report form. The developer shall provide written notation on each subsequent final plat associated with the subsequent development of the annually filed public notice and include reference to the El Paso County Planning and Community Development website where the most up-to-date notice can be found. County staff is authorized to administratively approve updates to the disclosure form to reflect current contact information and calculations.
6. The Districts 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 Districts the express authority of covenant enforcement, including the imposition of fees for such enforcement.
8. 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 at the final plat stage to guarantee the construction of improvements.

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 Districts will require prior review by the Planning and Community Development Department to determine if such actions are subject to the requirements of Appendix B of the Land Development Code, Guidelines

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

D. BACKGROUND/ STATUS OF LAND USE APPROVALS

A Planned Unit Development rezoning for the Retreat at TimberRidge PUD development Plan (PUD-17-003) was approved by the Board of County Commissioners on March 27, 2018. The Retreat at TimberRidge preliminary plan (SP-18-002), which included 205 single-family lots, 27.17 acres of right of way, and 10 open-space, trail corridor, detention, and utilities tracts totaling 27.58 acres was approved by the Board of County Commissioners on October 23, 2018. Lots within the preliminary plan at less than 2.5 acres in size are proposed to receive water and wastewater service from the proposed Sterling Ranch Metropolitan District via an intergovernmental agreement between the Sterling Ranch Metropolitan District and the Retreat Metropolitan Districts if the Retreat Metropolitan Districts are formed. Individual wells and onsite wastewater treatment systems (OWTS) are proposed for lots greater than 2.5 acres in size.

On June 29, 2017, the applicant submitted an application for approval of a Colorado Revised Statutes Title 32 Special District service plan for multiple metropolitan districts. Multiple reviews of the service plan were completed by staff since the June 2017 submittal date. On July 29, 2019, the applicants submitted the service plan as requested, which includes all of the same statutory purposes as included within the service plan.

E. APPLICABLE RESOLUTIONS: See attached.

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 applicants have sufficiently addressed all of the issues identified by staff through the review and resubmittal process.

G. APPROVAL CRITERIA

1. STATUTORY COMPLIANCE

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

Required findings

I. Sufficient existing and projected need

The applicants received approval of a preliminary plan for 234 acres to create 205 single family residential, 27.17 acres of right-of-way, and 27.58 acres of open space, trail corridor, utilities and detention tracts, by the Board of County Commissioners on October 23, 2018.

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

II. Existing service is inadequate for present and projected needs

Costs associated with required infrastructure related to private land development in the County is generally the financial responsibility of the developer, not the County. There is no public entity available that is responsible for constructing and maintaining the required street and safety improvements, drainage facilities, covenant control, recreation facilities, and providing mosquito control within a privately owned land development project. The developer is electing to form the Districts to offset the out of pocket expenses associated with developing the property via the creation of the Districts.

III. District is capable of providing economical and sufficient service

Pursuant to the analysis and conclusions of 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. It is important to note that the plan relies upon a development build-out schedule of 193 total lots with 37 being developed in 2020, 54 lots in 2021, 58 lots in 2022, and 44 lots in 2023.

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 proposed services can be provided without new Districts being created. The developer could construct the necessary infrastructure (roadways, sidewalks, drainage facilities, 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/detention ponds, as well as covenant enforcement. 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 and covenant enforcement 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 master plan

A finding of general conformity with the El Paso County master plan, including the El Paso County Policy Plan (1998) and the Black Forest Preservation Plan (1987), was made by the Board of County Commissioners with approval of the Retreat at TimberRidge PUD Development Plan and Preliminary Plan. The trails addendum to the Black Forest Preservation Plan shows a regional trail corridor through the property. The Sand Creek Regional trail is depicted on the approved Retreat at TimberRidge PUD development plan and preliminary plan.

The applicable policies in Section 14 of the El Paso County Policy Plan (1998), as they relate to the creation of Title 32 Special Districts, are addressed separately and have generally been met. Staff recommends the request generally complies with the master plan.

IV. Compliance with water quality management plan

Section 3.6, Wastewater Treatment Facilities, of the Pikes Peak Area Council of Government's Water Quality Management Plan 2010 Update, states "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 for wastewater treatment to be provided by individual onsite wastewater treatment systems for the rural lots at sizes of 2.5 acres or larger. The Land Development Code allows for onsite wastewater treatment systems to be utilized when densities are less than one (1) dwelling unit per 2.5 acres. A central water and wastewater provider is proposed to serve the urban lots less than 2.5 acres within the development. The applicant provided a commitment letter from the Sterling Ranch Metropolitan District for both central and wastewater services at the time of the preliminary plan approval.

In the best interests of the area to be served

See other service provision discussions in this staff report.

2. COMPLIANCE WITH 2007 SPECIAL DISTRICT POLICIES

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

- I. Conformity with statutory standards**
(See Statutory Compliance discussion above)
- II. Conformity with County Master Plan and Policies**
(See the Discretionary Findings discussion above and below)
- III. Content in conformance with statutes**
To the knowledge of staff, the process followed to this point has been consistent with the requirements of Colorado statutory law.
- IV. Applicants responsible for meeting time lines**
The applicant submitted the service plan application in a timely manner, sufficient enough to allow staff adequate time to properly review the application.
- V. Limiting proliferation of districts**
Approval of this service plan will allow for the creation of two (2) new Title 32 Special Districts. The creation of the proposed Districts will not result in service provision redundancy in the area. There are no other Districts within the project area boundary. The Sterling Ranch Metropolitan Districts service area lies to the east and south of this development. An Intergovernmental Agreement between the Sterling Ranch District and the proposed Retreat Special District for water and wastewater services is anticipated. The applicants are proposing to include covenant enforcement authority as a purpose of the districts, which would be geographically limited to only those properties located within the Districts' boundaries.
- VI. Coordination with other elected officials and departments**
The applicants have 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 districts are not within proximity to any municipality for annexation. The Sterling Ranch Metropolitan District's service area lies to the east and south of this development. An Intergovernmental Agreement between the Sterling Ranch District and the proposed Retreat Metropolitan District for water and wastewater services is anticipated.
- 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. The

analysis is adequate for the purpose of requesting approval of this service plan.

IX. Mill Levy Caps

The applicant is requesting approval of a maximum combined mill levy cap of 65 mills, including 50 mills for debt service, 10 mills for operations and maintenance, and 5 mills for covenant enforcement. A maximum combined mill levy cap of 65 mills is consistent with the adopted Board of County Commissioners policies, which identify 65 mills as being the maximum combined mill levy cap with an additional Special Purpose Mill Levy of 5 mills being included for covenant enforcement.

X. Master Districts

The 2007 County Special District Policies discourage the use of master districts in favor of options for single or multiple districts without a control district. The proposed service plan, however, does propose to use the master district configuration. The applicant's intent and stated benefits for proposing the multiple districts with control district configuration are included immediately below in the "Multiple Districts" section of this report. It should be noted that the County Policies recommend the creation of a Board of County Commissioners appointed Citizen Advisory Council (CAC) when the proposed configuration includes a master district. The purpose of creating a CAC is to allow the residents within the District more of a "formal role in the affairs of the Controlling Board of Directors." The proposed service plan allows for the creation of a CAC and states that "If required at a subsequent date by the Board of County Commissioners, the Districts will cooperate with the County in the formation of a Citizens Advisory Council appointed by the Board of County Commissioners consisting of five (5) property owners within the boundaries of the Financing Districts."

XI. Multiple Districts

The proposed service plan anticipates the formation of two (2) districts. District No. 1 is proposed to function as the control district, whereas District No. 2 is proposed as the financing districts. The County Special District Policies require the applicant to "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 applicant states that the two-district configuration is the minimum necessary to facilitate phased development of the Retreat at TimberRidge 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 Districts is \$14.5 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.

3. POLICY PLAN COMPLIANCE

The service plan is in compliance with El Paso County Policy Plan (1998) particularly with regard to Section 14, Public Financing Districts, of the Plan.

4. COMPLIANCE WITH COUNTY PROCEDURES AND GUIDELINES

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

5. OTHER FACTORS

Not applicable with this request.

H. SERVICES

1. WATER

Water service will be provided by individual wells for the proposed lots greater or equal to 2.5 acres. Central water is proposed to be provided by an Intergovernmental Agreement (IGA) between the Retreat Metropolitan District and the Sterling Ranch Metropolitan District for those lots proposed to be less than 2.5 acres.

2. WASTEWATER

Wastewater service will be provided by individual onsite wastewater treatment systems (OWTS) for the proposed lots greater or equal to 2.5 acres. Centralized wastewater disposal is proposed to be provided by an Intergovernmental Agreement (IGA) between the Retreat Metropolitan District and the Sterling Ranch Metropolitan District for those lots proposed to be less than 2.5 acres.

3. TRANSPORTATION

Approval of the proposed service plan would authorize the districts to finance, design, and construct arterial and collector streets and roadway improvements including, but not limited to, bridges, drainage improvements, curbs, gutters, retaining walls, sidewalks, lighting, landscaping, streetscaping,

underground utilities, snow removal and tunnels. The applicants' intent and the County's requirements are to construct street improvements to applicable County standards. The applicants are proposing to dedicate such facilities to the County for ongoing ownership and maintenance. All improvements constructed by the districts located outside of the dedicated and accepted rights-of-way shall be maintained by the districts.

4. DRAINAGE

Approval of the proposed service plan would authorize the districts to finance, design, construct, and maintain drainage facilities including, but not limited to, detention ponds, water quality facilities, culverts and swales.

5. PARKS AND RECREATION

The approved preliminary plan identifies 28.58 acres of open space. The proposed Retreat Metropolitan District is anticipated to own and maintain the open space, drainage, non-regional trail corridors and utility tracts with exception to the regional trail corridor. The El Paso County Community Services Department, Parks Division, had requested the applicants provide a 25-foot trail corridor easement for the Sand Creek Regional Trail, which is depicted on the approved preliminary plan. The County is anticipated to maintain the regional trail. The regional trail is anticipated to connect to the Sterling Ranch open space to the south via the Sand Creek Channel Greenway. A trail easement has also been depicted along the south side of Arroya Lane. As depicted on the preliminary plan, internal trails are anticipated to provide connections from areas planned for urban lots to the regional trail corridor.

As stated in the proposed service plan, the districts 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 Black Forest Fire Protection District will serve the development.

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.

8. OTHER FACILITIES OR SERVICES

Black Hills Energy will provide natural gas service and Mountain View Electric Association (MVEA) will provide electrical service.

I. RELATIONSHIPS TO OTHER DISTRICTS OR MUNICIPALITIES

The districts anticipate entering into an intergovernmental agreement with the Sterling Ranch Metropolitan District for water and wastewater services to serve the urban lots within the development that are proposed to be less than 2.5 acres.

J. SCHOOL DISTRICT IMPACTS OR CONCERNS

The development is within both Falcon School District No. 49 and Academy School District No. 20. Both districts were sent a request for referral 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. However, there are notice requirements for hearings before the Board of County Commissioners. The applicants were required to notify all taxing jurisdictions within three (3) miles of the districts' 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's Press.

L. OUTSTANDING CONCERNS

There are no outstanding issues.

M. ATTACHMENTS

Vicinity Map
Letter of Intent
Proposed Service Plan and Attachments
Retreat at Timber Ridge Preliminary Plan
2007 El Paso County Special District Policies
Planning Commission Draft Minutes
Planning Commission Resolution
Board of County Commissioners' Resolution

El Paso County Parcel Information

PARCEL	NAME
5200000398	TIMBERRIDGE DEVELOPMENT GROUP LLC
5222000023	TIMBERRIDGE ESTATES LLC
5228000019	TIMBERRIDGE DEVELOPMENT GROUP LLC
5227000004	TIMBERRIDGE DEVELOPMENT GROUP LLC
5227000001	TIMBERRIDGE DEVELOPMENT GROUP LLC

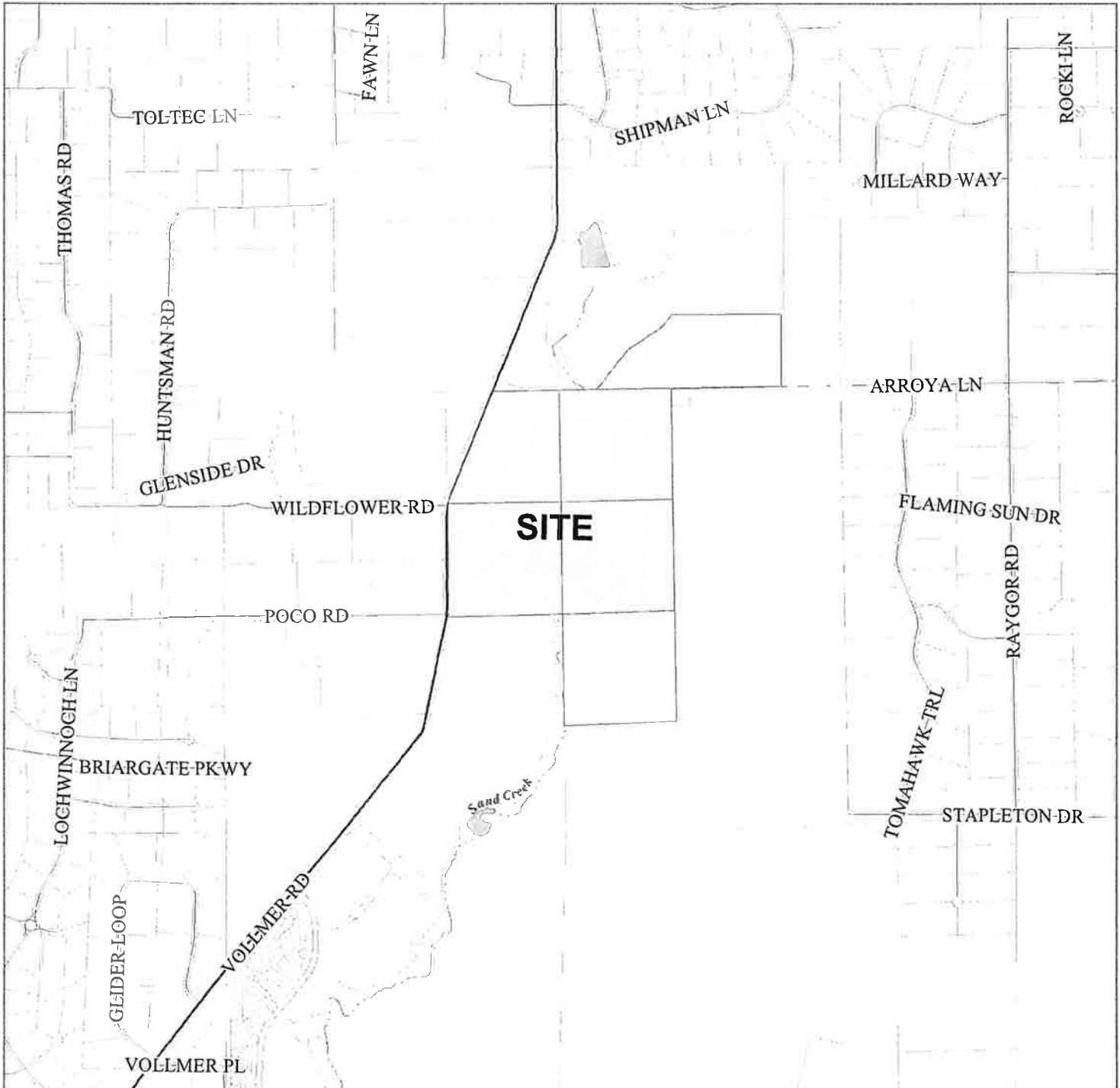
File Name: ID-17-002

Zone Map No.:

Date: July 30, 2019

ADDRESS	CITY	STATE
6385 CORPORATE DR STE 200	COLORADO SPRINGS	CO
2760 BROGANS BLUFF	COLORADO SPRINGS	CO
6385 CORPORATE DR STE 200	COLORADO SPRINGS	CO
6385 CORPORATE DR STE 200	COLORADO SPRINGS	CO
6385 CORPORATE DR STE 200	COLORADO SPRINGS	CO

ZIP	ZIPLUS
80919	
80919	3576
80919	
80919	
80919	



Please report any parcel discrepancies to:

El Paso County Assessor
1675 W. Garden of the Gods Rd.
Colorado Springs, CO 80907

13 520-6600



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SpencerFane

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

File No. 5024688.0002

August 1, 2019

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

**Re: Updated - Letter of Intent in Support of Formation of Proposed The Retreat
Metropolitan District Nos. 1-2**

Ms. Parsons:

The proposed formation of The Retreat Metropolitan District Nos. 1-2 (collectively, the "District") encompasses multiple parcels of land generally located to the East of Vollmer Road and to the South of Arroya Lane, with an additional parcel also located to the North of Arroya Lane ("Retreat Property"). The initial District boundary includes approximately 227 acres of land. Ultimately the District is anticipated to consist of approximately 193 single-family residential units with no commercial development currently planned. The number of anticipated homes remains an estimate and may be altered depending on the final outcome of the development approval process. The Retreat Property lies entirely within the boundaries of El Paso County, Colorado (the "County").

We respectfully request consideration of the District on the next possible public hearing of the Board of County Commissioners (the "Board") of the County in order to meet the requirements of a formation election in November of 2019. One of the primary purposes of the District 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, 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. 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 District 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.

The owners of the property are TimberRidge Development Group, LLC (Parcel Schedule Nos. 5200000398, 5227000001, 5227000003, 5227000004 and 5228000019) and TimberRidge Estates, LLC (Schedule No. 5222000023). Preparation of the District's supporting documentation was provided by the District's organizers. The Developer of the Retreat Property are Elite Properties of America, Inc. (for TimberRidge Development Group, LLC) and TimberRidge Estates, LLC. Cost estimates for the proposed public improvements were generated by Developer representatives, with the assistance of consultants Classic Engineering, 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.

Developer representatives will make up the initial District Board in order to complete the proposed public improvements in accordance with approved development plans. The new District will help pay for and structure the financing of public improvements for the Retreat Property.

Consistent with the proposed Service Plan, the Developer and the District 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 District including, but not limited to, water, wastewater/sewer and fire protection services. Additionally, the Developer and the District 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 District.

I. Service Plan Letter of Intent.

The proponents for the formation of the District 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 District;
- b. The existing service in the area to be served by the District is not adequate for present and projected needs without the organization of the District;
- c. The District is 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;
- d. The area to be included within the District has, or will have the financial ability to discharge the proposed indebtedness of the District on a reasonable basis within the mill levy caps and restrictions provided by the County rules and regulations.
- e. The proposed service plan shall be consistent with applicable elements of the El Paso County Master Plan and Special District Policies.

II. Major Service Plan Points for The Retreat Metropolitan District Nos. 1-2.

- Approximately 227 acres of property within the boundaries of the District.
- Completion of an estimated \$11,500,000 of on and off-site public improvements including, but not limited to on and off-site streets, roadway, water and sanitary, and landscaping improvements.

August 1, 2019

Page 3

- Anticipated development of approximately 193 single-family residential units.
- The estimated initial assessed value at time of complete build-out is \$9,440,312 (based upon an estimated initial market value at time of complete build-out of \$131,115,438 times 7.2%).
- The initial estimated cost of the public improvements needed for the project is \$11,500,000. The foregoing estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs.
- Public Improvements need additional financing from the District to complete.
- Debt is proposed to be issued in one or more series of bond issuances to allow for financing of constructed infrastructure and expedient completion of the overall project.
- Maximum Mill Levy of 65 mills inclusive of debt (50 mills), operations and administration (10 mills), and covenant enforcement and design review (up to 5 mills, if provided by the District), is proposed.
- Total current projected mill levy of 50 mills for debt (residential), 10 mills for operations and maintenance, and up to 5 mills for covenant enforcement and design review (if provided by the District) allows for financing of up to approximately \$14,500,000 based upon initial estimates.
- Requested Debt Authorization of \$14,500,000 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 2019.
- There are no current residents within the District 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 Retreat Metropolitan District Nos. 1-2 shall develop and finance its own property.

The Retreat Metropolitan District Nos. 1-2 Service Plan will serve the best interests of the taxpayers, property owners and development of the property within the Retreat Property, will minimize non-interested party obligations,

DN 3731507.1

August 1, 2019

Page 4

and will maximize both development and absorption within the District and County without delays in development. The formation of the District will allow for financing and development to pay for only those improvements and costs which are a direct benefit to the property within the District.

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

Sincerely,
SPENCER FANE LLP

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

ph/

**THE RETREAT
METROPOLITAN DISTRICT NOS. 1-2**

EL PASO COUNTY, COLORADO

**REVISED DRAFT
(August 1, 2019)**

SERVICE PLAN
FOR
THE RETREAT
METROPOLITAN DISTRICT NOS. 1-2

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Applicant(s)

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Consultants(s)

- Engineer – Classic Engineering
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TABLE OF CONTENTS

I.	EXECUTIVE SUMMARY	1
II.	DEFINITIONS.....	2
III.	INTRODUCTION	5
	A. Overall Purpose and Intent.....	5
	B. Need for The District	6
	C. County Objectives in Forming The District.....	6
	D. Multiple District Structure.....	7
	E. Specific Purposes - Facilities and Services.....	8
	1. Water.....	8
	2. Sanitation	8
	3. Street Improvements, Transportation and Safety Protection	9
	4. Drainage.....	9
	5. Parks and Recreation	9
	6. Mosquito Control.....	9
	7. Fire Protection.....	10
	8. Television Relay and Translation	10
	9. Covenant Enforcement and Design Review	10
	10. Security Services.....	10
	11. Solid Waste Disposal.....	10
	12. General.....	10
	F. Other Powers.....	10
	1. Amendments	10
	2. Authority to Modify Implementation of Financing Plan and Public Infrastructure.....	11
	G. Other Statutory Powers.....	11
	H. Eminent Domain.....	11
	I. Intergovernmental Agreements (IGAs).....	11
	J. Description of Proposed Boundaries and Service Area	11
	1. Initial District Boundaries.....	11
	2. Additional Inclusion Areas	12
	3. Extraterritorial Service Areas	12
	4. Analysis of Alternatives.....	12
	5. Material Modifications/Service Plan Amendment	12
IV.	DEVELOPMENT ANALYSIS.....	13
	A. Existing Developed Conditions	13
	B. Total Development at Project Buildout	13
	C. Development Phasing and Absorption	13
	D. Status of Underlying Land Use Approvals	13
V.	INFRASTRUCTURE SUMMARY.....	13

VI.	FINANCIAL PLAN SUMMARY	14
A.	Financial Plan Assumptions and Debt Capacity Model	14
B.	Maximum Authorized Debt.....	14
C.	Maximum Mill Levies	14
1.	Maximum Debt Service Mill Levy	14
2.	Maximum Operational Mill Levy.....	14
3.	Maximum Special Purpose Mill Levy Cap.....	14
4.	Maximum Combined Mill Levy	15
D.	Maximum Maturity Period For Debt	15
E.	Developer Funding Agreements	15
F.	Privately Placed Debt Limitation.....	16
G.	Revenue Obligations.....	16
VII.	OVERLAPPING TAXING ENTITIES, NEIGHBORING JURISDICTIONS	16
A.	Overlapping Taxing Entities.....	16
B.	Neighboring Jurisdictions	16
VIII.	CONSOLIDATION/DISSOLUTION	17
A.	Consolidation.....	17
B.	Dissolution.....	18
C.	Administrative Dissolution.....	18
IX.	COMPLIANCE.....	18
X.	MISCELLANEOUS	18
A.	Special District Act.....	18
B.	Disclosure to Prospective Purchasers	18
C.	Local Improvements	19
D.	Service Plan Not a Contract.....	19
E.	Land Use and Development Approvals	19
XI.	CONCLUSION	19

EXHIBITS

- A. Maps and Legal Descriptions**
 - Vicinity Map
 - Boundary Exhibit
 - 5-Mile Radius Map
 - Legal Description
- B. Development Summary**
- C. Infrastructure Capital Costs**
- D. Financial Plan Summary**
- E. Annual Report and Disclosure Form**

I. EXECUTIVE SUMMARY

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

Proposed Districts:	The Retreat Metropolitan District Nos. 1-2
Property Owner(s):	TimberRidge Development Group, LLC (Schedule Nos. 5200000398, 5227000001, 5227000003, 5227000004 and 5228000019); TimberRidge Estates, LLC (Schedule No. 5222000023)
Developer(s):	Elite Properties of America, Inc. (for TimberRidge Development Group, LLC); TimberRidge Estates, LLC (for TimberRidge Estates, LLC)
Description of Development:	<i>Approximately 227 total acres within the proposed District boundaries in El Paso County, with the development within the Districts anticipated to consist of approximately 193 single family homes with an average value of \$675,000. The proposed development encompasses multiple parcels of land generally located to the East of Vollmer Road and to the South of Arroya Lane, with an additional parcel also located to the North of Arroya Lane. The number of anticipated homes remains an estimate and may be altered depending on the final outcome of the development approval process. At this stage, it is anticipated that all developed lots will be subject to the same mill levies based upon the overall services to be provided to the development as a whole.</i>
Proposed Improvements to be Financed:	<i>Proposed completion of an estimated \$11,500,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, 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 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.</i>
Proposed Ongoing Services:	<i>The Developer and the Districts intend to work with existing</i>

overlapping service providers to obtain the necessary consents and/or approvals for the provision of necessary services to the Districts including, but not limited to, water, wastewater, streets, drainage, parks and recreation, and fire protection services. Because the overall development remains in its infancy, the specific services and potential overlapping service providers have yet to be determined. More information can be provided once determined and known. Additionally, the 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 \$11,500,000

Maximum Debt Authorization: \$14,500,000 (combined for all Districts)

Proposed Maximum Debt Mill Levy: 50 Mills – residential

Proposed Maximum O & M Mill Levy: 10 Mills

Proposed Special Purpose Mill Levy; Covenant enforcement and design review – if provided by the District may require an additional mill levy of up to 5 mills.

Proposed Maximum Mill Levies: 65 Mills

Proposed Fees: Development fees of up to \$2,000 per single family equivalent units and \$1,000 per multi-family units.

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: Not applicable.

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.

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 The Retreat Metropolitan District No. 1 (also known as the Control District) as described in this Service Plan.

District No. 2: means the The Retreat Metropolitan District No. 2.

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

Financing District: means District No. 2, which are expected to include residential development that will produce the required revenue to fund the Public Improvements and any operations and maintenance costs.

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

Initial District Boundaries: means the initial boundaries of the Districts as described in 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 \$14,500,000.

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

Maximum Special Purpose Mill Levy: means maximum ad valorem mill levy which is allowed in addition to the allowable Maximum Debt Service Mill Levy and the

Maximum Operational Mill Levy.

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

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

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

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

Service Plan: means this Service Plan for the Districts.

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

State: means the State of Colorado.

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

III. INTRODUCTION

A. Overall Purpose and Intent.

The Districts will be created pursuant to the Special District Act, and are being created with a 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 "The Retreat at Timber Ridge" (the "Project"). The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants, property owners and taxpayers of the Districts. The primary purpose of the Districts will be to finance the construction of these Public Improvements.

Additional major purposes may 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 No. 2 is proposed to be the Financing District, and are expected to include residential 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 District.

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. 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 another district, Sterling Ranch Metropolitan District Nos. 1 – 3 (“Sterling Ranch”). It is not feasible, however, to become part of that district for several reasons. 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, particularly things like box culverts and associated drainage requirements. Additionally, the property owners/developers of the property within the Project have no authority or control in connection with the governance or operations of Sterling Ranch. Likewise, the Sterling Ranch service plan likely does not provide for either (a) the additional infrastructure contemplated by this Service Plan, or (b) sufficient debt capacity authorization to cover such infrastructure. Based on the foregoing, formation of the Districts is necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. County Objectives In Forming The District.

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

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

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

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 District. This structure is intended to provide for the fair and equitable allocation of the costs of the Public Infrastructure and related services within the various development areas of the Project.

District No. 1 is expected to be responsible for managing the construction, acquisition, installation and operation of the Public Improvements. The Financing District is expected to be responsible for providing the funding and tax base needed to support the plan for financing the Public Improvements and for operation, maintenance and administrative costs. The allocation of responsibility for all such functions among the Districts may occur in any combination based upon the best interests of the property owners and residents within the Project.

Each District will be authorized to provide improvements and services, including but not limited to acquisition of completed improvements, to the property within and without their respective legal boundaries, as they may be amended from time to time. Debt may be issued by either District No. 1 and/or the Financing District 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(s) and the future taxpayers within the Districts. The benefits of using the multiple district structure include: (a) coordinated administration of construction and operation of public improvements and delivery of those improvements in a timely manner; and (b) assurance that improvements required by the County are constructed in a timely and cost effective manner.

a. Coordinated Services. As presently planned, development of the Project will proceed in phases, which will require the extension of public services and facilities. The multiple district structure will assure that the construction and operation of each phase of Public Improvements will be administered consistent with a long-term construction and operations program. Use of District No. 1 to direct financing, construction, acquisition and installation of improvements and for management of operation and maintenance needs will facilitate a well planned financing effort through all phases of construction, which will assist in the coordinated

extension of services.

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

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 not determined yet whether or to what extent the Districts intend to join the El Paso County Water Authority following formation.

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.

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

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

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

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

6. Mosquito Control. The Districts shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods

for the eradication and control of mosquitoes, including but not limited to elimination or treatment of breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control.

7. Fire Protection. The Districts shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the applicable Fire District. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

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

9. 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 Master 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. More information can be provided once determined and known. Further, to the extent any of the above referenced facilities, improvements and services are dedicated and accepted by the County, the County shall own, operate and maintain such accepted facilities and related improvements. The Districts shall be authorized to own, operate and maintain any facilities, improvements and appurtenances not otherwise dedicated to and accepted by any Provider Jurisdiction, subject to any applicable County rules and regulations.

F. Other Powers.

1. Amendments. The Districts shall have the power to amend this Service

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

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

G. Other Statutory Powers.

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

H. Eminent Domain.

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

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

I. Intergovernmental Agreements (IGAs).

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

J. Description Of Proposed Boundaries And Service Area.

1. Initial District Boundaries. A vicinity map showing the general location of the area that may be served by the Districts is included as 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.

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

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 Districts will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements. As stated, neither the County nor any other public entity is available or willing to provide the Public Improvements required.

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

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

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

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

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

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

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

g. 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 193 single family homes, with values of homes in the project expected to average \$675,000 in year 2019 dollars. The total estimated population of the Districts upon completion of development is 483 people (193 residential units x 2.5 persons per residential unit).

C. Development Phasing And Absorption.

Absorption of the project is projected to take approximately 4 years, estimated to begin in 2020 (year) and end in 2023 (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. It is requested that the service plan approval process move forward so that the organizational and debt election can occur in November, 2019. This will allow future purchasers to receive disclosure of the existence of the Districts. Additionally, 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 \$11,500,000, in year 2019 dollars. It should be noted, though, the foregoing costs estimates are preliminary in nature and the ultimate costs may increase or decrease depending on numerous factors, many of which are out of Developer's control. In particular, these initial cost estimates only include the public improvement portion of costs and the total project improvement costs (including items such as dry utilities, etc.) will be significantly higher and will materially increase the overall costs. It is estimated that the Districts will finance up to approximately \$14,500,000, 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 \$14,500,000 in principal amount (total combined for all Districts). The debt issuance authorization is based upon the proposed completion of an estimated \$11,500,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, 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. 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 Special Purpose Mill Levy.** The Maximum Special Purpose

Mill Levy for each District is five (5) Mills, subject to Gallagher Adjustment.

4. Maximum Combined Mill Levy. The Maximum Combined Mill Levy for each District is 65 Mills, subject to Gallagher Adjustment.

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

D. Maximum Maturity Period For Debt.

The period of maturity for issuance of any Debt (but not including Developer Funding Agreements) shall be limited to no more than thirty (30) years without express, prior approval of the Board of County Commissioners. Such approval, although required, is not considered to be a Material Modification of the Service Plan which would trigger the need to amend said Service Plan. However, the Districts are specifically authorized to refund or restructure existing Debt so long as the period of maturity for the refunding or restructured Debt is no greater than 30 years from the date of the issuance thereof.

E. Developer Funding Agreements.

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

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

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

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

F. Privately Placed Debt Limitation.

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

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

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

VII. OVERLAPPING TAXING ENTITIES, NEIGHBORING JURISDICTIONS

A. Overlapping Taxing Entities.

The directly overlapping taxing entities and their respective year 2018 mill levies are as follows:

El Paso County	.007738
El Paso County Road and Bridge	.000330
Falcon School District No. 49	.043044
Pikes Peak Library District	.004000
Black Forest Fire Protection District	.010052
<i>(Others, as applicable)</i>	
Total Existing Mill Levy:	<u>.065164</u>

The total mill levy including the initially proposed District's mill levy is .130164 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):

ACADEMY SCHOOL DISTRICT NO. 20
BANNING LEWIS RANCH METROPOLITAN DISTRICT NOS. 1 – 5 AND 8 – 11
BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NOS. 1 – 2
BENT GRASS METROPOLITAN DISTRICT
BLACK FOREST FIRE/RESCUE PROTECTION DISTRICT
CENTRAL COLORADO CONSERVATION DISTRICT
CITY OF COLORADO SPRINGS
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 HIGHLANDS METROPOLITAN DISTRICT
FALCON REGIONAL TRANSPORTATION METROPOLITAN DISTRICT
KIOWA CONSERVATION DISTRICT
MERIDIAN RANCH METROPOLITAN DISTRICT
MERIDIAN RANCH METROPOLITAN DISTRICT 2018 SUBDISTRICT
MERIDIAN SERVICE METROPOLITAN DISTRICT
OLD RANCH METROPOLITAN DISTRICT
PAINT BRUSH HILLS METROPOLITAN DISTRICT
PAINT BRUSH HILLS METROPOLITAN DISTRICT SUBDISTRICT A
PARK FOREST WATER DISTRICT
PIKES PEAK LIBRARY DISTRICT
SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT
STERLING RANCH METROPOLITAN DISTRICT NOS. 1 – 3
STETSON RIDGE METROPOLITAN DISTRICT NO. 3
THE SANCTUARY METROPOLITAN DISTRICT
UPPER BLACK SQUIRREL CREEK GROUNDWATER MANAGEMENT DISTRICT
UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT AND NOS. 2 – 4
WESTMOOR WATER & SANITATION DISTRICT
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1 – 3
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, water, wastewater and fire protection services.

VIII. DISSOLUTION

A. Consolidation. It is the intent of the Districts to consolidate or dissolve upon payment or defeasance of all Debt incurred, as well as when the Districts have been fully

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

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

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

IX. COMPLIANCE

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

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

X. MISCELLANEOUS.

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

A. Special District Act.

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

B. Disclosure to Prospective Purchasers.

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

Department approves. Such notice shall be modified to address the potential for future Debt issuance which may be required to meet the obligations associated with loans incurred by the District. 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 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.

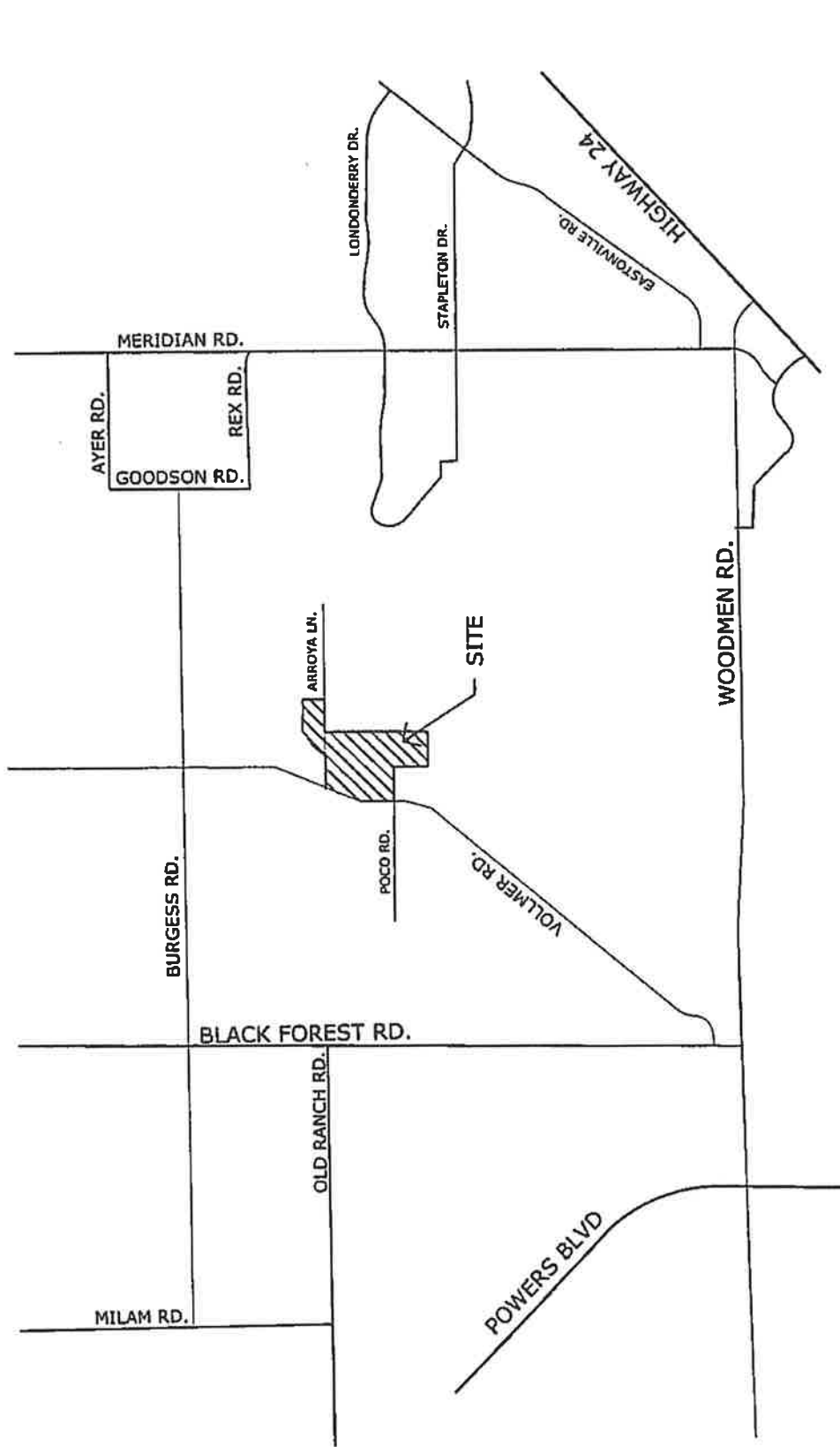
H. The creation of the proposed Districts is in the best interests of the area proposed to be served.

EXHIBIT A

MAPS AND LEGAL DESCRIPTIONS

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

EXHIBIT A – VICINITY MAP



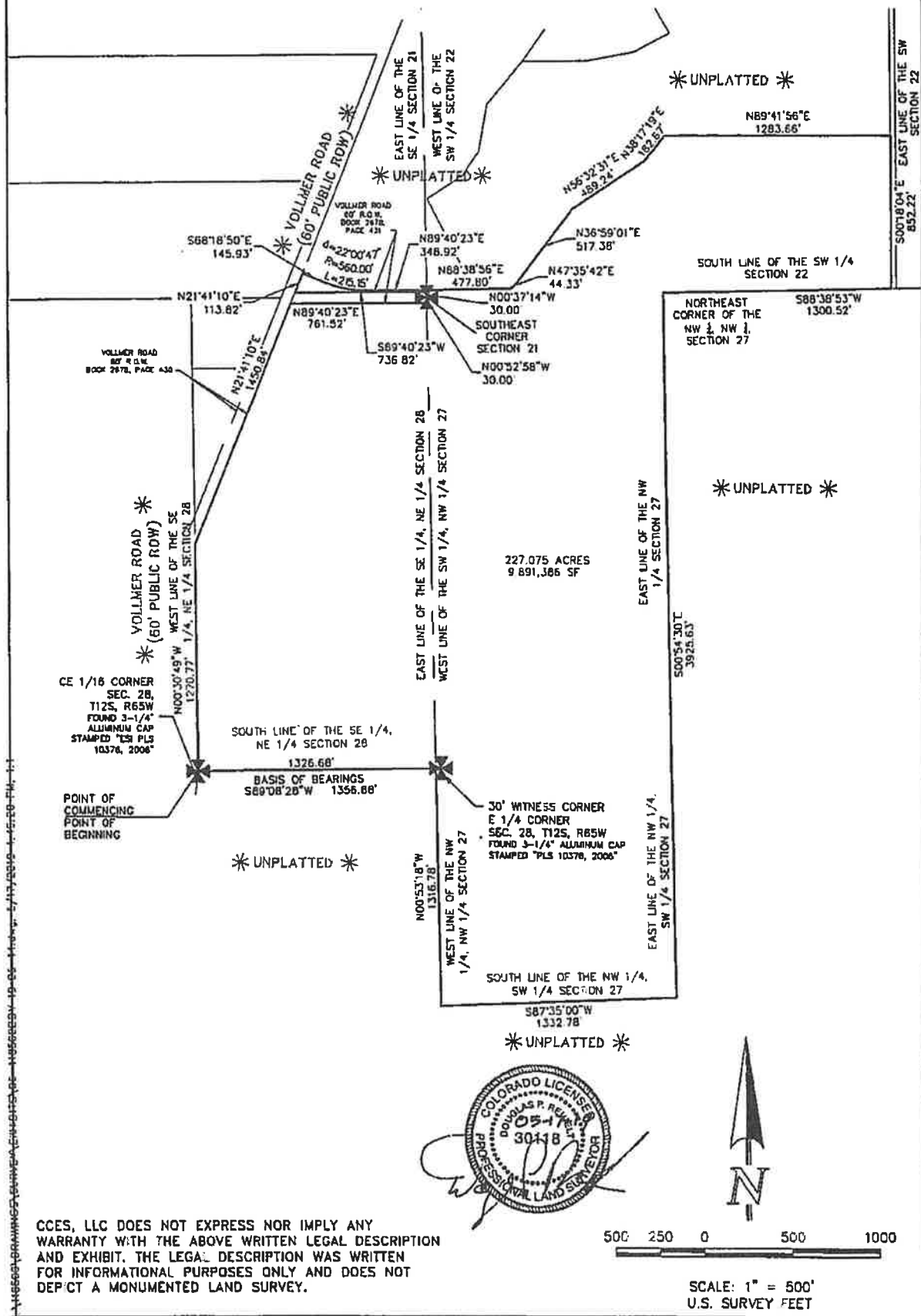
RETREAT AT TIMBERRIDGE VICINITY MAP

EXHIBIT A – BOUNDARY EXHIBIT



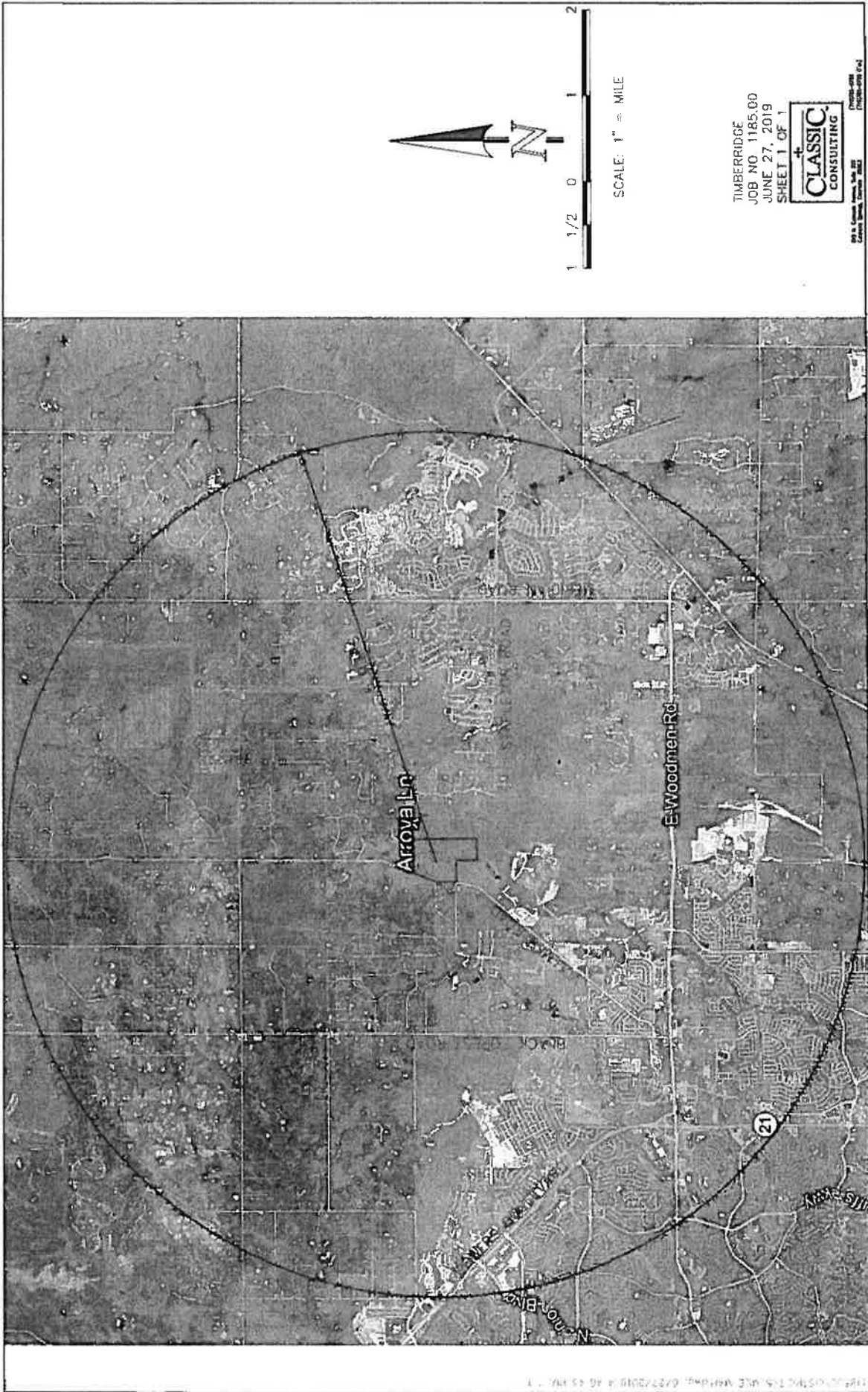
1119 N. Cascade Avenue, Suite 202
Colorado Springs, Colorado 80902
(719) 585-0752
(719) 585-0750 (fax)

TIMBERRIDGE DISTRICT
BOUNDARY
JOB NO. 1185.00-06
MAY 17, 2019
SHEET 3 OF 3



CCES, LLC DOES NOT EXPRESS NOR IMPLY ANY WARRANTY WITH THE ABOVE WRITTEN LEGAL DESCRIPTION AND EXHIBIT. THE LEGAL DESCRIPTION WAS WRITTEN FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT DEPICT A MONUMENTED LAND SURVEY.

EXHIBIT A – 5-MILE RADIUS MAP



TIMBERIDGE
JOB NO. 1185.00
JUNE 27, 2019
SHEET 1 OF 1



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Classic Consulting, Inc. 2019

EXHIBIT A – LEGAL DESCRIPTION



619 North Cascade Avenue, Suite 200
Colorado Springs, Colorado 80903
(719)785-0790 (719)785-0799(fax)

JOB NO. 1185.00-06
MAY 17, 2019
PAGE 1 OF 3

LEGAL DESCRIPTION: DISTRICT BOUNDARY

A PARCEL OF LAND BEING A PORTION OF SECTIONS 21, 22, 27 AND 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, BEING ALL OF THOSE PARCELS OF LAND DESCRIBED IN DOCUMENTS RECORDED UNDER RECEPTION NO.'S 219018917 AND 218022138, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE WEST END WHICH IS THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, BY A 3-1/4" ALUMINUM SURVEYORS CAP STAMPED "ESI PLS 10376, 2006" AND AT THE EAST END, WHICH IS A 30' WITNESS CORNER TO THE EAST OF THE EAST QUARTER CORNER OF SAID SECTION 28, BY A 3-1/4" ALUMINUM SURVEYORS CAP STAMPED "ESI 10376, 2006", IS ASSUMED TO BEAR S89°08'28"W A DISTANCE OF 1356.68 FEET.

COMMENCING AT THE CENTER-EAST 1/16 CORNER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, SAID POINT BEING THE POINT OF BEGINNING;

THENCE N00°30'49"W, ON THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1270.77 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF VOLLMER ROAD AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK 2678 AT PAGE 430, RECORDS OF EL PASO COUNTY, COLORADO;

THENCE N21°41'10"E, ON SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1450.84 FEET TO THE SOUTHWESTERLY CORNER OF THE RIGHT OF WAY LINE OF VOLLMER ROAD AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK 2678 AT PAGE 431;

THENCE ON SAID RIGHT OF WAY LINE OF VOLLMER ROAD THE FOLLOWING (4) FOUR COURSES:

1. N89°40'23"E, A DISTANCE OF 761.52 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 28;

2. N00°52'58"W, ON SAID EAST LINE, A DISTANCE OF 30.00 FEET TO THE SOUTHEAST CORNER OF SECTION 21, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN;
3. N00°37'14"W, ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 21, A DISTANCE OF 30.00 FEET;
4. S89°40'23"W, A DISTANCE OF 736.82 FEET TO POINT ON SAID EASTERLY RIGHT OF WAY LINE OF VOLLMER ROAD;

THENCE N21°41'10"E, ON SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 113.82 FEET;

THENCE S68°18'50"E, A DISTANCE OF 145.93 FEET TO A POINT OF CURVE;

THENCE ON AN ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 22°00'47", A RADIUS OF 560.00 FEET AND A DISTANCE OF 215.15 FEET TO A POINT OF TANGENT;

THENCE N89°40'23"E, A DISTANCE OF 348.92 FEET;

THENCE N88°38'56"E, A DISTANCE OF 477.80 FEET;

JOB NO. 1185.00-06

MAY 17, 2019

SHEET 2 OF 3

THENCE N47°35'42"E, A DISTANCE OF 44.33 FEET;

THENCE N36°59'01"E, A DISTANCE OF 517.38 FEET;

THENCE N56°32'31"E, A DISTANCE OF 489.24 FEET;

THENCE N38°17'19"E, A DISTANCE OF 182.67 FEET;

THENCE N89°41'56"E, A DISTANCE OF 1283.66 FEET TO A POINT ON A LINE 30.00 FEET WESTERLY AND PARALLEL TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN;

THENCE S00°18'04"E, ON SAID PARALLEL LINE, A DISTANCE OF 852.22 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 22;

THENCE S88°38'53"W, ON SAID SOUTH LINE, A DISTANCE OF 1300.52 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN;

THENCE S00°54'30"E, ON THE EAST LINE OF THE NORTHWEST QUARTER AND THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 27, A DISTANCE OF 3925.63 TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27;

THENCE S87°35'00"W, ON THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27, A DISTANCE OF 1332.78 FEET TO THE SOUTHWEST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27;

THENCE N00°53'18"W ON THE WEST LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27, A DISTANCE OF 1316.78 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 28;

THENCE S89°08'28"W, ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1326.68 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 227.075 ACRES.

LEGAL DESCRIPTION STATEMENT:

I, DOUGLAS P. REINELT, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED UNDER MY RESPONSIBLE CHARGE AND ON THE BASIS OF MY KNOWLEDGE, INFORMATION AND BELIEF, ARE CORRECT.

DOUGLAS P. REINELT, PROFESSIONAL LAND SURVEYOR
COLORADO P.L.S. NO. 30118
FOR AND ON BEHALF OF CLASSIC CONSULTING
ENGINEERS AND SURVEYORS

DATE

EXHIBIT B

DEVELOPMENT SUMMARY

Approximately 193 single family homes are anticipated to be developed and completed over a period of four years beginning in 2020, with values of such homes expected to average \$675,000 in year 2019 dollars. The number of anticipated homes remains an estimate and may be altered depending on the final outcome of the development approval process. As noted in the Financial Plan contained in Exhibit D, it is currently estimated that 37 total residential units will be added in 2020; 54 total residential units will be added in 2021; 58 total residential units will be added in 2022; and, 44 total residential units will be added in 2023. Regarding public improvements, overall costs of approximately \$11,500,000 are currently anticipated, as outlined in Exhibit C. The current cost estimates include, but are not limited to, planning and professional consulting costs of approximately \$750,000; sanitary sewer and related drainage costs of approximately \$1,500,000; street and related improvements costs in excess of \$2,700,000; and, landscaping costs in excess of \$400,000. The contemplated on and off-site public improvements include, but are not limited to, on and off-site streets, roadway, water and sanitary sewer, 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.

EXHIBIT C

ESTIMATED INFRASTRUCTURE CAPITAL COSTS

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

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

Keretat at Under Mudge
DEV Cost Summary
Ben B.
March 19, 2018

ITEM	164		29		183 Total Lots	
	URBAN LOTS	ESTATE LOTS	ITEM TOTALS	COST PER LOT		
PLANNING	\$ 98,800	\$ 15,600	\$ 115,200	\$	597	
ENGINEERING	\$ 216,800	\$ 33,800	\$ 249,600	\$	1,283	
SURVEYING	\$ 182,800	\$ 28,800	\$ 211,200	\$	1,084	
SOILS ENGINEERING	\$ 168,000	\$ 28,000	\$ 192,000	\$	985	
EXCAVATION / EROSION CONTROL	\$ 990,500	\$ 160,500	\$ 1,151,000	\$	5,854	
SANITARY SEWER	\$ 834,462	\$ -	\$ 834,462	\$	4,324	
WATER	\$ 821,450	\$ -	\$ 821,450	\$	3,220	
GAS	\$ 98,800	\$ 15,600	\$ 115,200	\$	597	
ELECTRIC	\$ 785,000	\$ 145,200	\$ 930,200	\$	4,820	
TELEPHONE / CABLE TV	\$ 98,800	\$ 15,600	\$ 115,200	\$	597	
STORM DRAIN	\$ 440,000	\$ 228,600	\$ 668,600	\$	3,484	
CURB AND GUTTER	\$ 424,325		\$ 424,325	\$	2,198	
ASPHALT PAVING	\$ 1,178,040	\$ 574,000	\$ 1,752,040	\$	9,078	
SIDEWALK	\$ 604,538	\$ -	\$ 604,538	\$	3,132	
FENCE	\$ 104,800	\$ 54,000	\$ 158,800	\$	823	
LANDSCAPING	\$ 207,400	\$ 198,100	\$ 405,500	\$	2,101	
MISCELLANEOUS / WARRANTY	\$ 40,000	\$ 40,000	\$ 80,000	\$	415	
FEES	\$ 1,872,242	\$ 244,882	\$ 2,117,104	\$	10,988	
CONTINGENCY	\$ 627,617	\$ 124,632	\$ 752,249	\$	3,888	
	\$ 9,583,574	\$ 1,905,094	\$ 11,498,668	Total Project Cost		
	\$ 58,487	\$ 65,693	\$ 58,578	Average Cost Per Lot		

ALLOCATION ITEMS	Quantity	Unit	Unit Cost	Total Cost
Arroya Lane (grading, curb & paving)	2200	lf	\$ 148.00	\$ 325,600
Arroya Lane Box Culvert	120	lf	\$ 2,250.00	\$ 270,000
Poco Road Box Culvert	120	lf	\$ 2,250.00	\$ 270,000
Creek Drop Structures	8	ea	\$ 32,000.00	\$ 256,000
			Subtotal	\$ 1,121,600
			7%	\$ 78,512
Contingency			Total Cost	\$ 1,200,112
				\$6,218.20 Cost Per Lot

EXHIBIT D

FINANCIAL PLAN SUMMARY

Financial Plan Summary must contain:

Statement of Assumptions Contained in Plan

Assessed Value Projections

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

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

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

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT

Development Projection at \$0.000 (target) District Mills for Debt Service - 05/28/2019

Series 2030, G.O. Bonds, Pay & Capital Refg of (proposed) Series 2020 + New Money, Non-Paid, 100x @ Target, 30-yr. Maturity - SERVICE PLAN

YEAR	Total Per 1 Unit	Net Value Blended Reassessmt @ 0.5%	Cumulative Market Value (5-yr. Int)	Ac'd Value @ 7.25% of Market (5-yr. Int)	< Platted/Developed Lots >			Total Assessed Value (10,000 Cap)	District Mill Levy Collected @ 0.5%	District Mill Levy Collected @ 0.5%	Total Available Revenue
2018	0	0	0	0	0	2,397,500	0	0	0	0	0
2019	0	0	24,943,590	0	0	3,285,000	0	50,000	0	0	0
2020	37	0	59,804,273	0	0	3,755,000	0	50,000	34,068	2,044	36,113
2021	54	3,588,258	104,037,857	1,795,938	0	2,452,500	0	50,000	134,681	8,081	142,762
2022	58	131,115,438	4,305,908	0	1,088,950	0	0	50,000	284,348	15,681	280,209
2023	44	7,866,928	135,962,355	7,430,728	0	711,225	0	50,000	401,898	24,114	428,009
2024	0	8,338,942	147,321,307	10,008,730	0	0	0	50,000	482,575	27,955	480,330
2025	0	8,819,278	156,160,585	10,607,134	0	0	0	50,000	490,330	29,420	519,750
2026	0	9,389,635	165,530,220	11,243,562	0	0	0	50,000	519,750	31,195	550,935
2027	0	9,931,813	175,462,033	11,918,178	0	0	0	50,000	550,935	33,058	583,991
2028	0	10,527,722	185,968,755	12,633,266	0	0	0	50,000	583,991	35,039	619,030
2029	0	11,158,385	197,148,141	13,391,262	0	0	0	50,000	619,030	37,142	656,172
2030	0	11,828,948	206,978,089	14,194,738	0	0	0	50,000	656,172	39,370	695,542
2031	0	12,538,685	221,516,775	15,046,422	0	0	0	50,000	695,542	41,733	737,275
2032	0	13,281,006	234,807,781	15,949,208	0	0	0	50,000	737,275	44,238	781,511
2033	0	14,068,467	248,898,248	16,908,160	0	0	0	50,000	781,511	46,891	828,402
2034	0	14,933,775	263,830,023	17,920,530	0	0	0	50,000	828,402	49,704	878,108
2035	0	15,829,801	278,659,824	18,995,762	0	0	0	50,000	878,108	52,686	930,792
2036	0	16,778,598	296,439,414	20,135,507	0	0	0	50,000	930,792	55,848	986,640
2037	0	17,786,365	314,225,778	21,343,638	0	0	0	50,000	986,640	59,198	1,045,838
2038	0	18,853,547	333,079,325	22,624,258	0	0	0	50,000	1,045,838	62,750	1,108,588
2039	0	19,984,780	353,064,085	23,981,711	0	0	0	50,000	1,108,588	66,515	1,175,104
2040	0	21,183,845	374,247,930	25,420,814	0	0	0	50,000	1,175,104	70,506	1,245,610
2041	0	22,454,878	396,702,805	26,945,851	0	0	0	50,000	1,245,610	74,737	1,320,347
2042	183	269,175,623						50,000	1,320,347	79,221	1,399,567
2043								50,000	47,000,734	2,820,044	49,820,778

RETIREMENT @ TIMBER RIDGE METROPOLITAN DISTRICT

Development Projection at \$0.000 (Target) District Mills for Debt Service - 05/28/2019

Series 2030, G.O. Bonds, Pay & Cancel Refg of (proposed) Series 2020 + New Money, Non-Rated, 100% @ target, 30-yr. Maturity - SERVICE PLAN

YEAR	Net Available for Debt Svc	Ser. 2020 Net Debt Service	Ser. 2030 Net Debt Service	Total Net Debt Service	Funds on Hand Used as Source	Annual Surplus	Surplus Released @ to \$1,075,000	Cumulative Surplus	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Cov. of Net Deb. @ Target	Cov. of Net Deb. @ Cap
2018	0					n/a			n/a		0.0%	0.0%
2019	0					n/a		0	1434%	16%	0.0%	0.0%
2020	0	\$0		0		36,113	0	36,113	363%	9%	0.0%	0.0%
2021	36,113	0		0		142,762	0	178,874	185%	8%	0.0%	0.0%
2022	280,209	0		0		280,209	0	459,083	122%	7%	0.0%	0.0%
2023	426,009	488,500		914,509		(72,481)	0	386,592	108%	7%	85.5%	85.5%
2024	490,330	488,500		978,830		(8,170)	0	378,422	100%	7%	98.4%	98.4%
2025	519,750	518,500		1,038,250		1,250	0	379,672	99%	7%	100.2%	100.2%
2026	518,750	517,500		1,036,250		2,250	0	381,921	94%	6%	100.4%	100.4%
2027	550,835	546,500		1,097,335		4,435	0	386,356	93%	6%	100.8%	100.8%
2028	550,835	546,500		1,097,335		1,935	0	388,291	87%	6%	100.4%	100.4%
2029	583,991	581,250		1,165,241	385,000	(302,259)	0	6,031	132%	9%	100.5%	100.5%
2030	583,991	581,250		1,165,241		41,691	0	47,722	124%	8%	107.7%	107.7%
2031	619,030	616,600		1,235,630		2,430	0	50,152	124%	8%	100.4%	100.4%
2032	619,030	616,600		1,235,630		3,430	0	53,582	117%	8%	100.6%	100.6%
2033	656,172	654,600		1,310,772		1,572	0	55,154	116%	8%	100.2%	100.2%
2034	656,172	652,000		1,308,172		4,172	0	59,326	109%	7%	100.6%	100.6%
2035	695,542	694,400		1,389,942		1,142	0	60,468	108%	7%	100.2%	100.2%
2036	695,542	695,000		1,390,542		542	0	61,010	101%	7%	100.1%	100.1%
2037	737,275	735,400		1,472,675		1,875	0	62,885	100%	7%	100.3%	100.3%
2038	737,275	734,000		1,471,275		3,275	0	66,159	93%	6%	100.4%	100.4%
2039	781,511	777,400		1,558,911		4,111	0	70,270	92%	6%	100.5%	100.5%
2040	781,511	778,800		1,560,311		2,711	0	72,982	85%	6%	100.3%	100.3%
2041	828,402	824,800		1,653,202		3,602	0	76,584	94%	6%	100.4%	100.4%
2042	828,402	823,600		1,652,002		4,802	0	81,385	77%	5%	100.6%	100.6%
2043	878,106	877,000		1,755,106		1,106	0	82,491	75%	5%	100.1%	100.1%
2044	930,762	928,000		1,858,762		2,762	0	85,253	66%	5%	100.3%	100.3%
2045	930,762	925,600		1,856,362		5,162	0	90,415	60%	4%	100.8%	100.8%
2046	986,640	982,600		1,969,240		4,040	0	94,455	57%	4%	100.4%	100.4%
2047	986,640	986,600		1,973,240		40	0	94,495	51%	3%	100.0%	100.0%
2048	1,045,836	1,044,400		2,090,236		1,436	0	95,931	43%	3%	100.1%	100.1%
2049	1,045,836	1,044,400		2,090,236		389	0	96,320	39%	3%	100.0%	100.0%
2050	1,108,589	1,103,400		2,212,000		5,189	0	101,509	33%	2%	100.5%	100.5%
2051	1,108,589	1,103,400		2,212,000		2,504	0	104,013	30%	2%	100.2%	100.2%
2052	1,175,104	1,172,600		2,347,704		2,504	0	106,517	24%	2%	100.2%	100.2%
2053	1,175,104	1,172,600		2,347,704		4,010	0	110,527	20%	1%	100.3%	100.3%
2054	1,245,610	1,241,600		2,487,210		4,010	0	114,537	15%	1%	100.4%	100.4%
2055	1,245,610	1,241,600		2,487,210		4,410	0	118,947	10%	1%	100.1%	100.1%
2056	1,320,347	1,316,200		2,636,547		1,147	0	120,094	5%	0%	100.2%	100.2%
2057	1,320,347	1,317,400		2,637,747		767	121,204	121,971	0%	0%	100.1%	100.1%
2058	1,398,557	1,398,800		2,797,357								
2059												
2060												
	48,820,778	3,708,750	27,886,300	31,586,050	385,000	17,835,729	17,835,729	17,835,729				

[*] Estimated balance (btd)

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT

Operations Revenue and Expense Projection

YEAR	Total Assessed Value	Oper'n Mill Levy	Total Collections @ 55%	Specific Ownership Tax @ 5%	Total Available For Debt	Total Debt
2018	0	10,000	0	0	0	60,000
2019	595,275	10,000	8,814	409	7,223	60,000
2020	2,748,566	10,000	28,936	1,816	28,552	60,000
2021	5,384,858	10,000	52,870	3,172	56,042	60,000
2022	8,201,951	10,000	80,379	4,823	85,202	60,000
2023	9,440,312	10,000	92,515	5,551	98,066	60,000
2024	10,008,730	10,000	98,066	5,864	103,950	60,000
2025	10,008,730	10,000	98,066	5,864	103,950	60,000
2026	10,607,134	10,000	103,950	6,237	110,187	60,000
2027	10,607,134	10,000	103,950	6,237	110,187	60,000
2028	11,243,562	10,000	110,187	6,611	116,798	60,000
2029	11,243,562	10,000	110,187	6,611	116,798	60,000
2030	11,918,176	10,000	116,798	7,008	123,806	60,000
2031	12,633,266	10,000	123,806	7,428	131,234	60,000
2032	13,391,262	10,000	131,234	7,874	139,108	60,000
2033	14,194,738	10,000	139,108	8,347	147,455	60,000
2034	15,046,422	10,000	147,455	8,847	156,302	60,000
2035	15,949,209	10,000	156,302	9,378	165,680	60,000
2036	16,906,160	10,000	165,680	9,941	175,621	60,000
2037	17,920,530	10,000	175,621	10,537	186,158	60,000
2038	18,995,762	10,000	186,158	11,170	197,328	60,000
2039	20,135,507	10,000	197,328	11,840	209,168	60,000
2040	21,343,636	10,000	209,168	12,550	221,718	60,000
2041	22,624,256	10,000	221,718	13,303	235,021	60,000
2042	23,981,711	10,000	235,021	14,101	249,122	60,000
2043	25,420,614	10,000	249,122	14,947	264,069	60,000
2044	26,945,651	10,000	264,069	15,844	279,913	60,000
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2055						
2056						
2057						
2058						
2059						
2060						
			8,057,029	353,422	8,420,451	



RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
Development Projection – Buildout Plan (updated 4/18/18)

Residential Development

YEAR	SFD (2.5 acre)										SFD (1.1 acre)										SFD (1/2 acre)										SFD (.75 acre)									
	# Lots Desired	Invt(Des) in Finished Lot Value @ 10%	# Units Completed	Price Initiated @ 2%	Market Value	# Lots Desired	Invt(Des) in Finished Lot Value @ 10%	# Units Completed	Price Initiated @ 2%	Market Value	# Lots Desired	Invt(Des) in Finished Lot Value @ 10%	# Units Completed	Price Initiated @ 2%	Market Value	# Lots Desired	Invt(Des) in Finished Lot Value @ 10%	# Units Completed	Price Initiated @ 2%	Market Value	# Lots Desired	Invt(Des) in Finished Lot Value @ 10%	# Units Completed	Price Initiated @ 2%	Market Value	# Lots Desired	Invt(Des) in Finished Lot Value @ 10%	# Units Completed	Price Initiated @ 2%	Market Value										
2018	0	0	0	\$875,000	0	0	0	0	\$725,000	0	0	0	0	0	0	0	0	0	\$650,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2019	11	962,500		882,500	0	0	0	0	739,500	0	0	0	0	0	0	0	0	0	683,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2020	5	(525,000)	11	910,350	10,013,850	5	362,500	5	754,290	0	4	260,000	0	0	0	0	0	0	676,260	0	5	240,000	1	60,000	0	612,000	0	0	0	0	0	0	0	0	0	0	0			
2021	12	812,500	5	928,557	4,642,785	6	72,500	5	769,378	3,846,879	5	65,000	4	686,785	2,759,141	0	0	0	0	0	0	4	80,000	5	838,725	3,183,824	0	0	0	0	0	0	0	0	0	0	0			
2022	1	(962,500)	12	947,128	11,365,538	0	(435,000)	6	764,763	4,708,560	0	(325,000)	5	703,581	3,517,905	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2023	0	(87,500)	1	966,071	966,071	0	0	0	800,459	0	0	0	0	0	0	0	0	0	717,653	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2024	0	0	0	985,392	0	0	0	0	818,468	0	0	0	0	0	0	0	0	0	732,008	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2025	0	0	0	1,005,100	0	0	0	0	832,787	0	0	0	0	0	0	0	0	0	746,645	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2026	0	0	0	1,025,202	0	0	0	0	849,453	0	0	0	0	0	0	0	0	0	761,579	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2027	0	0	0	1,045,706	0	0	0	0	866,442	0	0	0	0	0	0	0	0	0	778,810	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2028	0	0	0	1,066,820	0	0	0	0	883,771	0	0	0	0	0	0	0	0	0	792,346	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2029	0	0	0	1,087,853	0	0	0	0	901,448	0	0	0	0	0	0	0	0	0	808,193	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2030	0	0	0	1,109,712	0	0	0	0	919,475	0	0	0	0	0	0	0	0	0	824,357	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2031	0	0	0	1,131,906	0	0	0	0	937,865	0	0	0	0	0	0	0	0	0	840,844	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2032	0	0	0	1,154,544	0	0	0	0	956,822	0	0	0	0	0	0	0	0	0	857,681	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2033	0	0	0	1,177,635	0	0	0	0	975,555	0	0	0	0	0	0	0	0	0	874,814	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2034	0	0	0	1,201,187	0	0	0	0	995,270	0	0	0	0	0	0	0	0	0	892,311	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2035	0	0	0	1,225,211	0	0	0	0	1,015,175	0	0	0	0	0	0	0	0	0	910,157	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2036	0	0	0	1,249,715	0	0	0	0	1,035,479	0	0	0	0	0	0	0	0	0	926,360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2037	0	0	0	1,274,710	0	0	0	0	1,056,188	0	0	0	0	0	0	0	0	0	946,927	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
2038	0	0	0	1,300,204	0	0	0	0	1,077,312	0	0	0	0	0	0	0	0	0	965,865	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
	29	(0)	29		28,988,243	11	(0)	11		0,555,459	9	0	9		6,277,045	10	0	10		6,405,701																				

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT

Development Projection - Buildout Plan (updated 4/18/18)

Residential Summary

YEAR	SFD / R30				Total Residential Market Value	Total SFD Units	Total TR Units	Total R10 Units	Value of Plotted & Developed Lots	
	# Lots Developed	Value @ 15%	# Units Completed	Price Inflated @ 2%	Market Value				Adjustment ⁽¹⁾	Adjusted Value
2018	0	0	0	\$550,000	0	0	0	0	0	0
2019	25	1,375,000	0	591,000	0	0	0	0	0	2,397,500
2020	35	550,000	25	572,220	14,305,500	37	0	37	0	887,500
2021	31	(220,000)	35	583,684	20,428,254	49	5	54	0	470,000
2022	43	660,000	31	595,339	18,455,468	52	8	58	0	(1,302,500)
2023	0	(2,365,000)	43	607,244	26,111,511	44	0	44	0	(2,452,500)
2024	0	0	0	618,398	0	0	0	0	0	0
2025	0	0	0	631,777	0	0	0	0	0	0
2026	0	0	0	644,413	0	0	0	0	0	0
2027	0	0	0	657,301	0	0	0	0	0	0
2028	0	0	0	670,447	0	0	0	0	0	0
2029	0	0	0	683,856	0	0	0	0	0	0
2030	0	0	0	697,533	0	0	0	0	0	0
2031	0	0	0	711,484	0	0	0	0	0	0
2032	0	0	0	725,713	0	0	0	0	0	0
2033	0	0	0	740,228	0	0	0	0	0	0
2034	0	0	0	755,032	0	0	0	0	0	0
2035	0	0	0	770,133	0	0	0	0	0	0
2036	0	0	0	785,535	0	0	0	0	0	0
2037	0	0	0	801,246	0	0	0	0	0	0
2038	0	0	0	817,271	0	0	0	0	0	0
	134	0	134		76,300,733	162	11	193	0	0

(1) Adj. to actual/prelim. AV

SOURCES AND USES OF FUNDS

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2020
50.000 (target) Mills
Non-Rated, 100x, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% BI-Reassessment Projections)
[Preliminary – for discussion only]**

Dated Date	12/01/2020
Delivery Date	12/01/2020

Sources:

Bond Proceeds:	
Par Amount	9,970,000.00
	9,970,000.00

Uses:

Project Fund Deposits:	
Project Fund	7,061,662.50
Other Fund Deposits:	
Capitalized Interest	1,495,500.00
Debt Service Reserve Fund	913,437.50
	2,408,937.50
Cost of Issuance:	
Other Cost of Issuance	300,000.00
Delivery Date Expenses:	
Underwriter's Discount	199,400.00
	9,970,000.00

BOND SUMMARY STATISTICS

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

50.000 (target) Mills

Non-Rated, 100x, 30-yr. Maturity

(SERVICE PLAN: Full Growth + 6.00% BI-Reassessment Projections)

[Preliminary – for discussion only]

Dated Date	12/01/2020
Delivery Date	12/01/2020
First Coupon	06/01/2021
Last Maturity	12/01/2050
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.148987%
Net Interest Cost (NIC)	5.000000%
All-In TIC	5.381654%
Average Coupon	5.000000%
Average Life (years)	23.977
Weighted Average Maturity (years)	23.977
Duration of Issue (years)	13.846
Par Amount	9,970,000.00
Bond Proceeds	9,970,000.00
Total Interest	11,952,500.00
Net Interest	12,151,900.00
Bond Years from Dated Date	239,050,000.00
Bond Years from Delivery Date	239,050,000.00
Total Debt Service	21,922,500.00
Maximum Annual Debt Service	1,958,250.00
Average Annual Debt Service	730,750.00
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 2050	9,970,000.00	100.000	5.000%	23.977	11/22/2044	15,453.50
	9,970,000.00			23.977		15,453.50

	TIC	All-In TIC	Arbitrage Yield
Par Value	9,970,000.00	9,970,000.00	9,970,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-199,400.00	-199,400.00	
- Cost of Issuance Expense		-300,000.00	
- Other Amounts			
Target Value	9,770,600.00	9,470,600.00	9,970,000.00
Target Date	12/01/2020	12/01/2020	12/01/2020
Yield	5.148987%	5.381654%	5.000000%

BOND DEBT SERVICE

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

50.000 (target) Mills

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
06/01/2021			249,250	249,250	
12/01/2021			249,250	249,250	498,500
06/01/2022			249,250	249,250	
12/01/2022			249,250	249,250	498,500
06/01/2023			249,250	249,250	
12/01/2023			249,250	249,250	498,500
06/01/2024			249,250	249,250	
12/01/2024			249,250	249,250	498,500
06/01/2025			249,250	249,250	
12/01/2025			249,250	249,250	498,500
06/01/2026			249,250	249,250	
12/01/2026	20,000	5.000%	249,250	269,250	518,500
06/01/2027			248,750	248,750	
12/01/2027	20,000	5.000%	248,750	268,750	517,500
06/01/2028			248,250	248,250	
12/01/2028	50,000	5.000%	248,250	298,250	546,500
06/01/2029			247,000	247,000	
12/01/2029	55,000	5.000%	247,000	302,000	549,000
06/01/2030			245,625	245,625	
12/01/2030	90,000	5.000%	245,625	335,625	581,250
06/01/2031			243,375	243,375	
12/01/2031	95,000	5.000%	243,375	338,375	581,750
06/01/2032			241,000	241,000	
12/01/2032	135,000	5.000%	241,000	376,000	617,000
06/01/2033			237,625	237,625	
12/01/2033	140,000	5.000%	237,625	377,625	615,250
06/01/2034			234,125	234,125	
12/01/2034	185,000	5.000%	234,125	419,125	653,250
06/01/2035			229,500	229,500	
12/01/2035	195,000	5.000%	229,500	424,500	654,000
06/01/2036			224,625	224,625	
12/01/2036	245,000	5.000%	224,625	469,625	694,250
06/01/2037			218,500	218,500	
12/01/2037	255,000	5.000%	218,500	473,500	692,000
06/01/2038			212,125	212,125	
12/01/2038	310,000	5.000%	212,125	522,125	734,250
06/01/2039			204,375	204,375	
12/01/2039	325,000	5.000%	204,375	529,375	733,750
06/01/2040			196,250	196,250	
12/01/2040	385,000	5.000%	196,250	581,250	777,500
06/01/2041			186,625	186,625	
12/01/2041	405,000	5.000%	186,625	591,625	778,250
06/01/2042			176,500	176,500	
12/01/2042	475,000	5.000%	176,500	651,500	828,000
06/01/2043			164,625	164,625	
12/01/2043	495,000	5.000%	164,625	659,625	824,250
06/01/2044			152,250	152,250	
12/01/2044	570,000	5.000%	152,250	722,250	874,500
06/01/2045			138,000	138,000	
12/01/2045	600,000	5.000%	138,000	738,000	876,000
06/01/2046			123,000	123,000	
12/01/2046	680,000	5.000%	123,000	803,000	926,000
06/01/2047			106,000	106,000	
12/01/2047	715,000	5.000%	106,000	821,000	927,000
06/01/2048			88,125	88,125	
12/01/2048	810,000	5.000%	88,125	898,125	986,250
06/01/2049			67,875	67,875	
12/01/2049	850,000	5.000%	67,875	917,875	985,750
06/01/2050			46,625	46,625	
12/01/2050	1,865,000	5.000%	46,625	1,911,625	1,958,250
	9,970,000		11,952,500	21,922,500	21,922,500

NET DEBT SERVICE

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2020
50.000 (target) Mills
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	Debt Service Reserve Fund	Capitalized Interest	Net Debt Service
12/01/2021		498,500	498,500		498,500	
12/01/2022		498,500	498,500		498,500	
12/01/2023		498,500	498,500		498,500	
12/01/2024		498,500	498,500			498,500.00
12/01/2025		498,500	498,500			498,500.00
12/01/2026	20,000	498,500	518,500			518,500.00
12/01/2027	20,000	497,500	517,500			517,500.00
12/01/2028	50,000	496,500	546,500			546,500.00
12/01/2029	55,000	494,000	549,000			549,000.00
12/01/2030	90,000	491,250	581,250			581,250.00
12/01/2031	95,000	486,750	581,750			581,750.00
12/01/2032	135,000	482,000	617,000			617,000.00
12/01/2033	140,000	475,250	615,250			615,250.00
12/01/2034	185,000	468,250	653,250			653,250.00
12/01/2035	195,000	459,000	654,000			654,000.00
12/01/2036	245,000	449,250	694,250			694,250.00
12/01/2037	255,000	437,000	692,000			692,000.00
12/01/2038	310,000	424,250	734,250			734,250.00
12/01/2039	325,000	408,750	733,750			733,750.00
12/01/2040	385,000	392,500	777,500			777,500.00
12/01/2041	405,000	373,250	778,250			778,250.00
12/01/2042	475,000	353,000	828,000			828,000.00
12/01/2043	495,000	329,250	824,250			824,250.00
12/01/2044	570,000	304,500	874,500			874,500.00
12/01/2045	600,000	276,000	876,000			876,000.00
12/01/2046	680,000	246,000	926,000			926,000.00
12/01/2047	715,000	212,000	927,000			927,000.00
12/01/2048	810,000	176,250	986,250			986,250.00
12/01/2049	850,000	135,750	985,750			985,750.00
12/01/2050	1,865,000	93,250	1,958,250	913,437.50		1,044,812.50
	9,970,000	11,952,500	21,922,500	913,437.50	1,495,500	19,513,562.50

BOND SOLUTION

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

50.000 (target) Mills

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
12/01/2021		498,500	-498,500		36,113	36,113	
12/01/2022		498,500	-498,500		142,762	142,762	
12/01/2023		498,500	-498,500		280,209	280,209	
12/01/2024		498,500		498,500	426,009	-72,491	85.45824%
12/01/2025		498,500		498,500	490,330	-8,170	98.36104%
12/01/2026	20,000	518,500		518,500	519,750	1,250	100.24100%
12/01/2027	20,000	517,500		517,500	519,750	2,250	100.43470%
12/01/2028	50,000	546,500		546,500	550,935	4,435	100.81144%
12/01/2029	55,000	549,000		549,000	550,935	1,935	100.35238%
12/01/2030	90,000	581,250		581,250	583,991	2,741	100.47150%
12/01/2031	95,000	581,750		581,750	583,991	2,241	100.38515%
12/01/2032	135,000	617,000		617,000	619,030	2,030	100.32902%
12/01/2033	140,000	615,250		615,250	619,030	3,780	100.61439%
12/01/2034	185,000	653,250		653,250	656,172	2,922	100.44728%
12/01/2035	185,000	654,000		654,000	656,172	2,172	100.33209%
12/01/2036	245,000	694,250		694,250	695,542	1,292	100.18612%
12/01/2037	255,000	692,000		692,000	695,542	3,542	100.51187%
12/01/2038	310,000	734,250		734,250	737,275	3,025	100.41194%
12/01/2039	325,000	733,750		733,750	737,275	3,525	100.48037%
12/01/2040	385,000	777,500		777,500	781,511	4,011	100.51591%
12/01/2041	405,000	778,250		778,250	781,511	3,261	100.41904%
12/01/2042	475,000	828,000		828,000	828,402	402	100.04853%
12/01/2043	495,000	824,250		824,250	828,402	4,152	100.50371%
12/01/2044	570,000	874,500		874,500	878,106	3,606	100.41235%
12/01/2045	600,000	876,000		876,000	878,106	2,106	100.24041%
12/01/2046	680,000	926,000		926,000	930,792	4,792	100.51753%
12/01/2047	715,000	927,000		927,000	930,792	3,792	100.40910%
12/01/2048	810,000	986,250		986,250	986,640	390	100.03953%
12/01/2049	850,000	985,750		985,750	986,640	890	100.09027%
12/01/2050	1,865,000	1,958,250	-913,438	1,044,813	1,045,838	1,025	100.09818%
	9,970,000	21,922,500	-2,408,938	19,513,563	19,957,550	443,987	

SOURCES AND USES OF FUNDS

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
Pay & Cancel Refunding of (proposed) Series 2020 + New Money
50.000 (target) Mills
Assumes Investment Grade, 100x @ Cap, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% BI-Reassessment Projections)
[Preliminary -- for discussion only]**

Dated Date	12/01/2030
Delivery Date	12/01/2030

Sources:

Bond Proceeds:	
Par Amount	14,790,000.00
Other Sources of Funds:	
Funds on Hand*	385,000.00
Series 2020 - DSRF	9,113,438.00
	9,498,438.00
	24,288,438.00

Uses:

Project Fund Deposits:	
Project Fund	14,230,188.00
Refunding Escrow Deposits:	
Cash Deposit*	9,735,000.00
Other Fund Deposits:	
Capitalized Interest	49,300.00
Cost of Issuance:	
Other Cost of Issuance	200,000.00
Delivery Date Expenses:	
Underwriter's Discount	73,950.00
	24,288,438.00

[*] Estimated balances (tbd).

BOND SUMMARY STATISTICS

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
Pay & Cancel Refunding of (proposed) Series 2020 + New Money
50.000 (target) Mills
Assumes Investment Grade, 100x @ Cap, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% BI-Reassessment Projections)
[Preliminary -- for discussion only]**

Dated Date	12/01/2030
Delivery Date	12/01/2030
First Coupon	06/01/2031
Last Maturity	12/01/2060
Arbitrage Yield	4.000000%
True Interest Cost (TIC)	4.035167%
Net Interest Cost (NIC)	4.000000%
All-In TIC	4.131525%
Average Coupon	4.000000%
Average Life (years)	22.220
Weighted Average Maturity (years)	22.220
Duration of Issue (years)	14.527
Par Amount	14,790,000.00
Bond Proceeds	14,790,000.00
Total Interest	13,145,600.00
Net Interest	13,219,550.00
Bond Years from Dated Date	328,640,000.00
Bond Years from Delivery Date	328,640,000.00
Total Debt Service	27,935,600.00
Maximum Annual Debt Service	1,398,800.00
Average Annual Debt Service	931,186.67
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 2060	14,790,000.00	100.000	4.000%	22.220	02/19/2053	25,734.60
	14,790,000.00			22.220		25,734.60

	TIC	All-In TIC	Arbitrage Yield
Par Value	14,790,000.00	14,790,000.00	14,790,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-73,950.00	-73,950.00	
- Cost of Issuance Expense		-200,000.00	
- Other Amounts			
Target Value	14,716,050.00	14,516,050.00	14,790,000.00
Target Date	12/01/2030	12/01/2030	12/01/2030
Yield	4.035167%	4.131525%	4.000000%

BOND DEBT SERVICE

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
Pay & Cancel Refunding of (proposed) Series 2020 + New Money
50.000 (target) Mills
Assumes Investment Grade, 100x @ Cap, 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
06/01/2031			295,800	295,800	
12/01/2031			295,800	295,800	591,600
06/01/2032			295,800	295,800	
12/01/2032	25,000	4.000%	295,800	320,800	616,600
06/01/2033			295,300	295,300	
12/01/2033	25,000	4.000%	295,300	320,300	615,600
06/01/2034			294,800	294,800	
12/01/2034	65,000	4.000%	294,800	359,800	654,600
06/01/2035			293,500	293,500	
12/01/2035	65,000	4.000%	293,500	358,500	652,000
06/01/2036			292,200	292,200	
12/01/2036	110,000	4.000%	292,200	402,200	694,400
06/01/2037			290,000	290,000	
12/01/2037	115,000	4.000%	290,000	405,000	695,000
06/01/2038			287,700	287,700	
12/01/2038	160,000	4.000%	287,700	447,700	735,400
06/01/2039			284,500	284,500	
12/01/2039	165,000	4.000%	284,500	449,500	734,000
06/01/2040			281,200	281,200	
12/01/2040	215,000	4.000%	281,200	496,200	777,400
06/01/2041			278,900	278,900	
12/01/2041	225,000	4.000%	278,900	501,900	776,800
06/01/2042			272,400	272,400	
12/01/2042	280,000	4.000%	272,400	552,400	824,800
06/01/2043			266,800	266,800	
12/01/2043	290,000	4.000%	266,800	556,800	823,600
06/01/2044			261,000	261,000	
12/01/2044	355,000	4.000%	261,000	616,000	877,000
06/01/2045			253,900	253,900	
12/01/2045	370,000	4.000%	253,900	623,900	877,800
06/01/2046			248,500	248,500	
12/01/2046	435,000	4.000%	248,500	681,500	928,000
06/01/2047			237,800	237,800	
12/01/2047	450,000	4.000%	237,800	687,800	925,600
06/01/2048			228,800	228,800	
12/01/2048	525,000	4.000%	228,800	753,800	982,600
06/01/2049			218,300	218,300	
12/01/2049	550,000	4.000%	218,300	768,300	986,600
06/01/2050			207,300	207,300	
12/01/2050	630,000	4.000%	207,300	837,300	1,044,600
06/01/2051			194,700	194,700	
12/01/2051	655,000	4.000%	194,700	849,700	1,044,400
06/01/2052			181,600	181,600	
12/01/2052	745,000	4.000%	181,600	926,600	1,108,200
06/01/2053			166,700	166,700	
12/01/2053	770,000	4.000%	166,700	936,700	1,103,400
06/01/2054			151,300	151,300	
12/01/2054	870,000	4.000%	151,300	1,021,300	1,172,600
06/01/2055			133,900	133,900	
12/01/2055	905,000	4.000%	133,900	1,038,900	1,172,800
06/01/2056			115,800	115,800	
12/01/2056	1,010,000	4.000%	115,800	1,125,800	1,241,600
06/01/2057			95,600	95,600	
12/01/2057	1,050,000	4.000%	95,600	1,145,600	1,241,200
06/01/2058			74,600	74,600	
12/01/2058	1,170,000	4.000%	74,600	1,244,600	1,319,200
06/01/2059			51,200	51,200	
12/01/2059	1,215,000	4.000%	51,200	1,266,200	1,317,400
06/01/2060			28,900	28,900	
12/01/2060	1,345,000	4.000%	28,900	1,371,900	1,398,800
	14,790,000		13,145,600	27,935,600	27,935,600

NET DEBT SERVICE

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
 Pay & Cancel Refunding of (proposed) Series 2020 + New Money
 50.000 (target) Mills
 Assumes Investment Grade, 100x @ Cap, 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	Net Debt Service
12/01/2031		591,600	591,600	49,300	542,300
12/01/2032	25,000	591,600	616,600		616,600
12/01/2033	25,000	590,600	615,600		615,600
12/01/2034	65,000	589,600	654,600		654,600
12/01/2035	65,000	587,000	652,000		652,000
12/01/2036	110,000	584,400	694,400		694,400
12/01/2037	115,000	580,000	695,000		695,000
12/01/2038	160,000	575,400	735,400		735,400
12/01/2039	165,000	569,000	734,000		734,000
12/01/2040	215,000	562,400	777,400		777,400
12/01/2041	225,000	553,800	778,800		778,800
12/01/2042	280,000	544,800	824,800		824,800
12/01/2043	290,000	533,600	823,600		823,600
12/01/2044	355,000	522,000	877,000		877,000
12/01/2045	370,000	507,800	877,800		877,800
12/01/2046	435,000	493,000	928,000		928,000
12/01/2047	450,000	475,600	925,600		925,600
12/01/2048	525,000	457,600	982,600		982,600
12/01/2049	550,000	436,600	986,600		986,600
12/01/2050	630,000	414,600	1,044,600		1,044,600
12/01/2051	655,000	389,400	1,044,400		1,044,400
12/01/2052	745,000	363,200	1,108,200		1,108,200
12/01/2053	770,000	333,400	1,103,400		1,103,400
12/01/2054	870,000	302,600	1,172,600		1,172,600
12/01/2055	905,000	267,800	1,172,800		1,172,800
12/01/2056	1,010,000	231,600	1,241,600		1,241,600
12/01/2057	1,050,000	191,200	1,241,200		1,241,200
12/01/2058	1,170,000	149,200	1,319,200		1,319,200
12/01/2059	1,215,000	102,400	1,317,400		1,317,400
12/01/2060	1,345,000	53,800	1,398,800		1,398,800
	14,790,000	13,145,600	27,935,600	49,300	27,886,300

SUMMARY OF BONDS REFUNDED

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
Pay & Cancel Refunding of (proposed) Series 2020 + New Money
50.000 (target) Mills
Assumes Investment Grade, 100x @ Cap, 30-yr. Maturity
(SERVICE PLAN: Full Growth + 6.00% Bi-Reassessment Projections)
[Preliminary – for discussion only]**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
5/29/19: Ser 20 NR SP, 5.00%, 100x, 50mls, FG+6% BIRE:					
TERM50	12/01/2031	5.000%	95,000.00	12/01/2030	100.000
	12/01/2032	5.000%	135,000.00	12/01/2030	100.000
	12/01/2033	5.000%	140,000.00	12/01/2030	100.000
	12/01/2034	5.000%	185,000.00	12/01/2030	100.000
	12/01/2035	5.000%	195,000.00	12/01/2030	100.000
	12/01/2036	5.000%	245,000.00	12/01/2030	100.000
	12/01/2037	5.000%	255,000.00	12/01/2030	100.000
	12/01/2038	5.000%	310,000.00	12/01/2030	100.000
	12/01/2039	5.000%	325,000.00	12/01/2030	100.000
	12/01/2040	5.000%	385,000.00	12/01/2030	100.000
	12/01/2041	5.000%	405,000.00	12/01/2030	100.000
	12/01/2042	5.000%	475,000.00	12/01/2030	100.000
	12/01/2043	5.000%	495,000.00	12/01/2030	100.000
	12/01/2044	5.000%	570,000.00	12/01/2030	100.000
	12/01/2045	5.000%	600,000.00	12/01/2030	100.000
	12/01/2046	5.000%	680,000.00	12/01/2030	100.000
	12/01/2047	5.000%	715,000.00	12/01/2030	100.000
	12/01/2048	5.000%	810,000.00	12/01/2030	100.000
	12/01/2049	5.000%	850,000.00	12/01/2030	100.000
	12/01/2050	5.000%	1,865,000.00	12/01/2030	100.000
			9,735,000.00		

ESCROW REQUIREMENTS

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
 Pay & Cancel Refunding of (proposed) Series 2020 + New Money
 50.000 (target) Mills
 Assumes Investment Grade, 100x @ Cap, 30-yr. Maturity
 (SERVICE PLAN: Full Growth + 6.00% BI-Reassessment Projections)
 [Preliminary – for discussion only]**

Dated Date 12/01/2030
 Delivery Date 12/01/2030

5/29/19: Ser 20 NR SP, 5.00%, 100x, 50mls, FG+6% BIRE

Period Ending	Principal Redeemed	Total
12/01/2030	9,735,000.00	9,735,000.00
	9,735,000.00	9,735,000.00

PRIOR BOND DEBT SERVICE

RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
Pay & Cancel Refunding of (proposed) Series 2020 + New Money
50.000 (target) Mills
Assumes Investment Grade, 100x @ Cap, 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
06/01/2031			243,375	243,375	
12/01/2031	95,000	5.000%	243,375	338,375	581,750
06/01/2032			241,000	241,000	
12/01/2032	135,000	5.000%	241,000	376,000	617,000
06/01/2033			237,625	237,625	
12/01/2033	140,000	5.000%	237,625	377,625	615,250
06/01/2034			234,125	234,125	
12/01/2034	185,000	5.000%	234,125	419,125	653,250
06/01/2035			229,500	229,500	
12/01/2035	195,000	5.000%	229,500	424,500	654,000
06/01/2036			224,625	224,625	
12/01/2036	245,000	5.000%	224,625	469,625	694,250
06/01/2037			218,500	218,500	
12/01/2037	255,000	5.000%	218,500	473,500	692,000
06/01/2038			212,125	212,125	
12/01/2038	310,000	5.000%	212,125	522,125	734,250
06/01/2039			204,375	204,375	
12/01/2039	325,000	5.000%	204,375	529,375	733,750
06/01/2040			196,250	196,250	
12/01/2040	385,000	5.000%	196,250	581,250	777,500
06/01/2041			186,625	186,625	
12/01/2041	405,000	5.000%	186,625	591,625	778,250
06/01/2042			176,500	176,500	
12/01/2042	475,000	5.000%	176,500	651,500	828,000
06/01/2043			164,625	164,625	
12/01/2043	495,000	5.000%	164,625	659,625	824,250
06/01/2044			152,250	152,250	
12/01/2044	570,000	5.000%	152,250	722,250	874,500
06/01/2045			138,000	138,000	
12/01/2045	600,000	5.000%	138,000	738,000	876,000
06/01/2046			123,000	123,000	
12/01/2046	680,000	5.000%	123,000	803,000	925,000
06/01/2047			106,000	106,000	
12/01/2047	715,000	5.000%	106,000	821,000	927,000
06/01/2048			88,125	88,125	
12/01/2048	810,000	5.000%	88,125	898,125	986,250
06/01/2049			67,875	67,875	
12/01/2049	850,000	5.000%	67,875	917,875	985,750
06/01/2050			46,625	46,625	
12/01/2050	1,865,000	5.000%	46,625	1,911,625	1,958,250
	9,735,000		6,982,250	16,717,250	16,717,250

BOND SOLUTION

**RETREAT @ TIMBER RIDGE METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2030
Pay & Cancel Refunding of (proposed) Series 2020 + New Money
50,000 (target) Mills
Assumes Investment Grade, 100x @ Cap, 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
12/01/2031		591,600	-49,300	542,300	583,991	41,691	107.68774%
12/01/2032	25,000	616,600		616,600	619,030	2,430	100.39410%
12/01/2033	25,000	615,600		615,600	619,030	3,430	100.55719%
12/01/2034	65,000	654,600		654,600	656,172	1,572	100.24013%
12/01/2035	65,000	652,000		652,000	656,172	4,172	100.63986%
12/01/2036	110,000	694,400		694,400	695,542	1,142	100.16448%
12/01/2037	115,000	695,000		695,000	695,542	542	100.07801%
12/01/2038	160,000	735,400		735,400	737,275	1,875	100.25492%
12/01/2039	165,000	734,000		734,000	737,275	3,275	100.44614%
12/01/2040	215,000	777,400		777,400	781,511	4,111	100.52884%
12/01/2041	225,000	778,800		778,800	781,511	2,711	100.34812%
12/01/2042	280,000	824,800		824,800	828,402	3,602	100.43669%
12/01/2043	290,000	823,600		823,600	828,402	4,802	100.58303%
12/01/2044	355,000	877,000		877,000	878,106	1,106	100.12611%
12/01/2045	370,000	877,800		877,800	878,106	306	100.03486%
12/01/2046	435,000	928,000		928,000	930,792	2,792	100.30090%
12/01/2047	450,000	925,600		925,600	930,792	5,192	100.56097%
12/01/2048	525,000	982,600		982,600	986,640	4,040	100.41114%
12/01/2049	550,000	986,600		986,600	986,640	40	100.00404%
12/01/2050	630,000	1,044,600		1,044,600	1,045,838	1,238	100.11854%
12/01/2051	655,000	1,044,400		1,044,400	1,045,838	1,438	100.13771%
12/01/2052	745,000	1,108,200		1,108,200	1,108,589	389	100.03506%
12/01/2053	770,000	1,103,400		1,103,400	1,108,589	5,189	100.47023%
12/01/2054	870,000	1,172,600		1,172,600	1,175,104	2,504	100.21353%
12/01/2055	905,000	1,172,800		1,172,800	1,175,104	2,304	100.19644%
12/01/2056	1,010,000	1,241,600		1,241,600	1,245,610	4,010	100.32298%
12/01/2057	1,050,000	1,241,200		1,241,200	1,245,610	4,410	100.35531%
12/01/2058	1,170,000	1,319,200		1,319,200	1,320,347	1,147	100.08692%
12/01/2059	1,215,000	1,317,400		1,317,400	1,320,347	2,947	100.22368%
12/01/2060	1,345,000	1,398,800		1,398,800	1,399,568	768	100.05487%
	14,790,000	27,935,600	-49,300	27,886,300	28,001,473	115,173	

EXHIBIT E

ANNUAL REPORT AND DISCLOSURE FORM
(Sample attached)

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

1.	Name of District(s):	The Retreat Metropolitan District Nos. 1-2
2.	Report for Calendar Year:	2019
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 District(s)/ Unique Representational Issues (if any)	Colorado Revised Statutes Title 32 Metropolitan District
6.	Authorized Purposes of the District(s)	The Service Plan authorizes all permissible purposes as allowed under Colorado Revised Statutes Title 32
7.	Active Purposes of the District(s)	Proposed design, construction and completion of an estimated \$11,500,000 of on and off-site public improvements including, but not limited to, on and off-site streets, roadway, water and sanitary sewer, and park and recreation improvements
8.	Current Certified Mill Levies a. Debt Service b. Operational c. Other d. Total	a. 50 Mills (as may be Gallagher adjusted) b. 10 Mills (as may be Gallagher adjusted) c. 5 Mills (as may be Gallagher adjusted) d. 65 Mills (as may be Gallagher adjusted)
9.	Sample Calculation of Current Mill Levy for a Residential Property (as applicable).	Assume a residential property with a value of \$300,000 x 7.20% = \$21,600 (assessed value); \$21,600 x .065 = \$1,404 taxes per year due to the District
10.	Maximum Authorized Mill Levy Caps (Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals) a. Debt Service b. Operational c. Other d. Total	a. 50 Mills (as may be Gallagher adjusted) b. 10 Mills (as may be Gallagher adjusted) c. 5 Mills (as may be Gallagher adjusted) d. 65 Mills (as may be Gallagher adjusted)
11.	Sample Calculation of Mill Levy Cap for a Residential Property (as applicable).	See #9 above.
12.	Current Outstanding Debt of the Districts (as of the end of year of this report)	N/A

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

Reminder:

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

Name and Title of Respondent

Signature of Respondent

Date

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

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

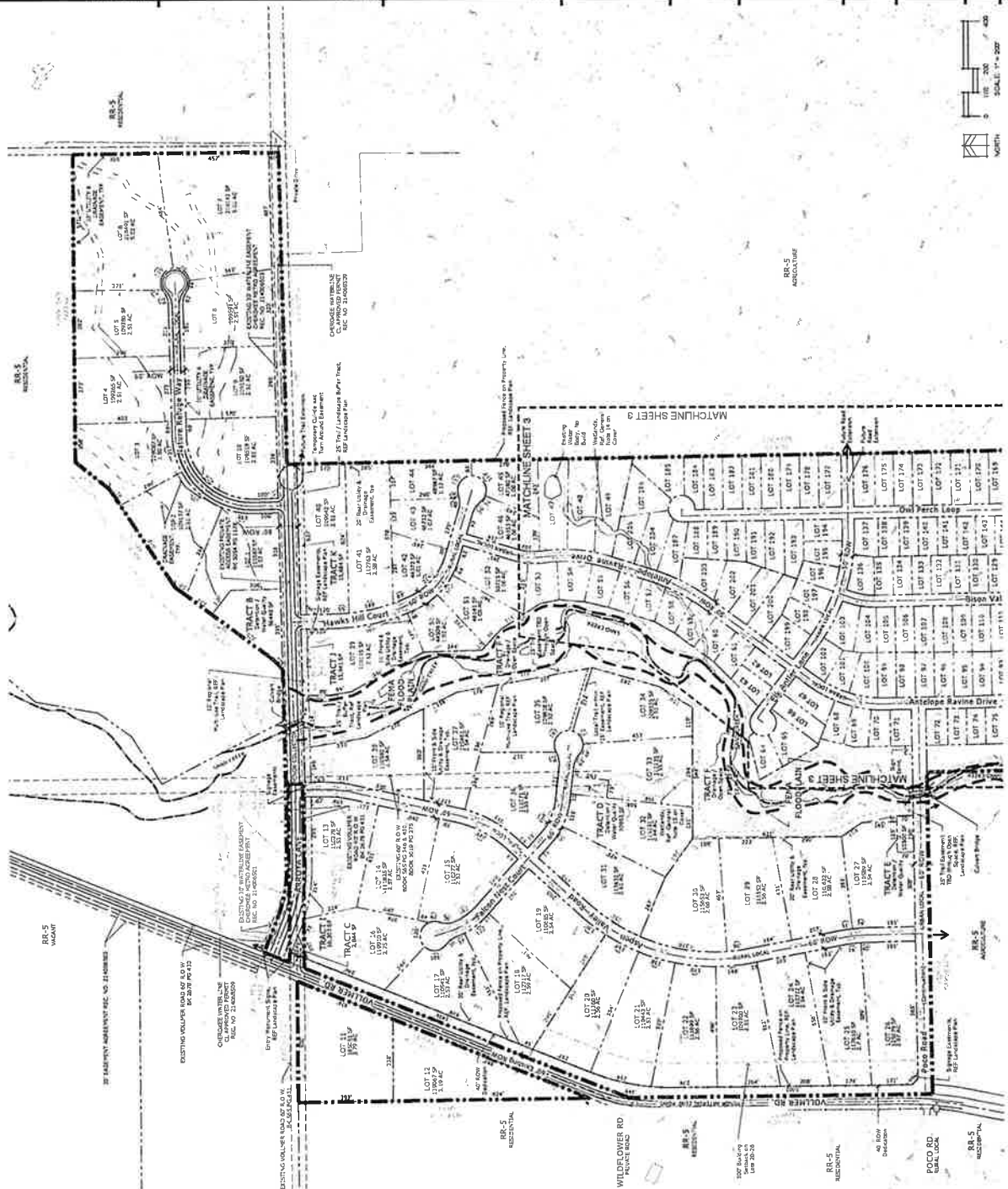
County Assessor - 1675 West Garden of the Gods Road, Suite 2300, Colorado Springs, Colorado 80907

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

Retreat at TimberRidge

PRELIMINARY PLAN

SECTION 21, 22, 27 AND 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE 6TH P.M.,
EL PASO COUNTY, COLORADO



Retreat at
TimberRidge
Preliminary Plan
EL PASO COUNTY, CO

PRELIMINARY
PLAN

2

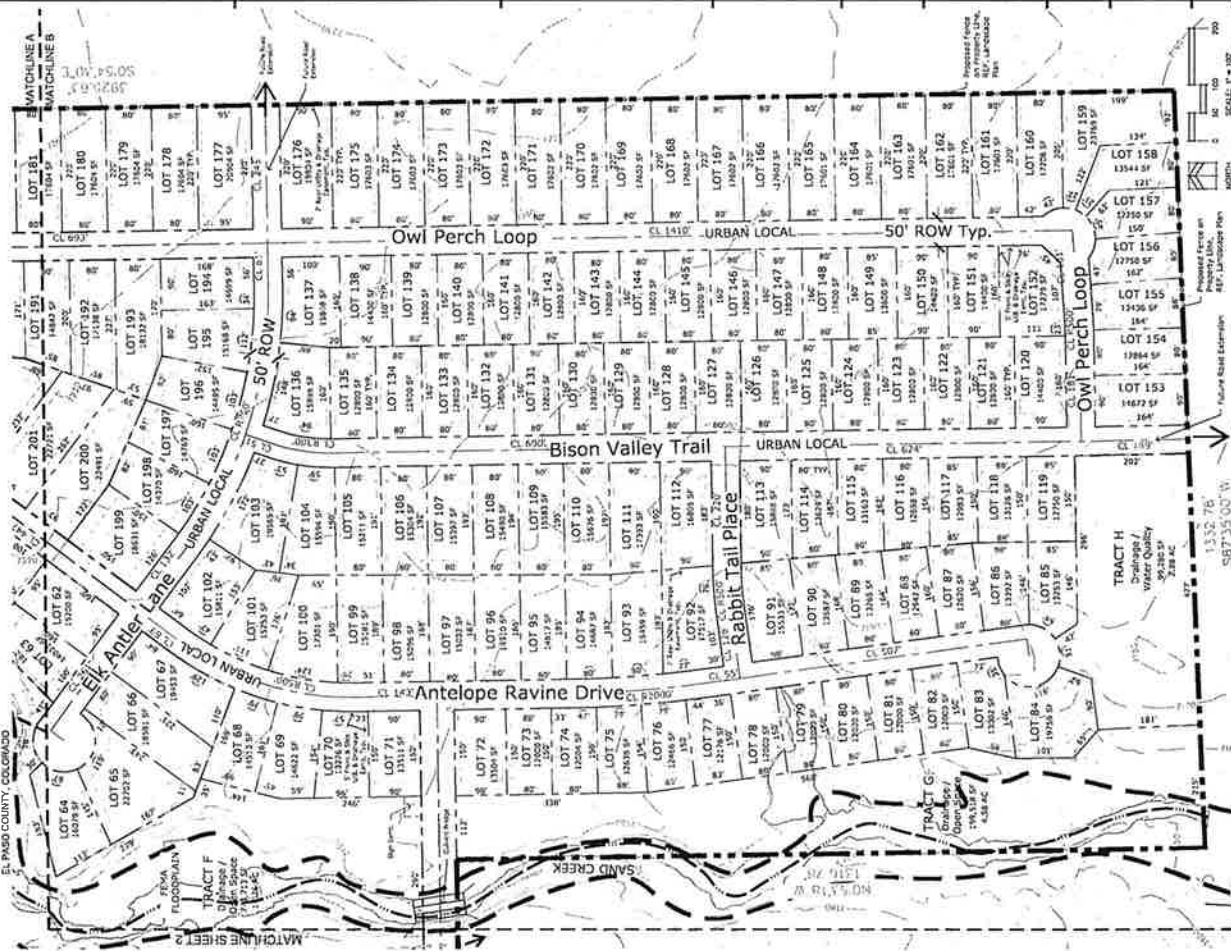
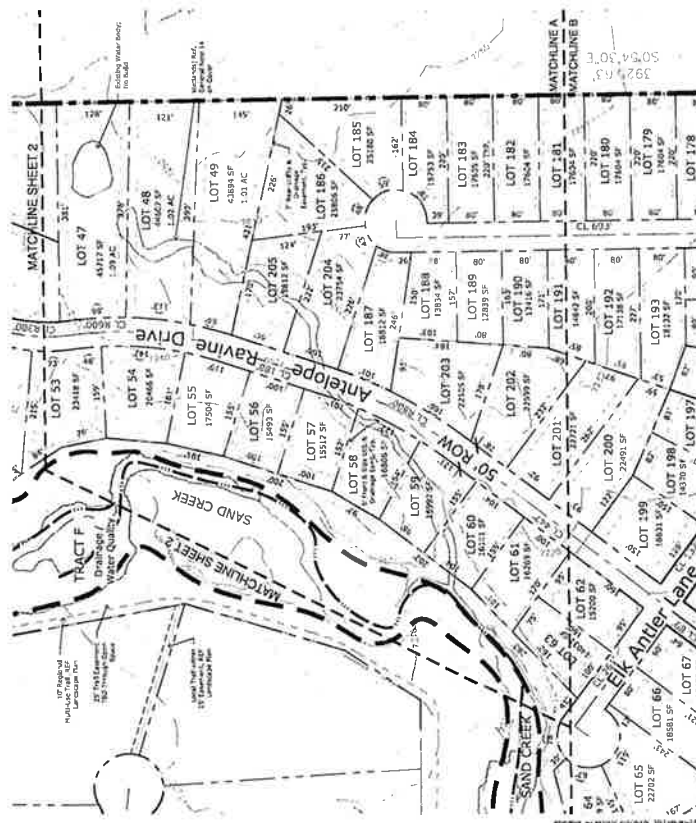
SP 182



Retreat at TimberRidge PRELIMINARY PLAN

SECTION 21, 22, 27 AND 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO

KEY MAP



Retreat at
TimberRidge

Preliminary Plan

EL PASO COUNTY, CO

SCALE: 1" = 100'

DATE: 10/1/12

BY: J. HARRIS

FOR: N.E.S., Inc.

PRELIMINARY
PLAN

3

8

SP 182

Retreat at TimberRidge

PRELIMINARY PLAN

SECTION 21, 22, 27 AND 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE 6TH P.M.
EL PASO COUNTY, COLORADO

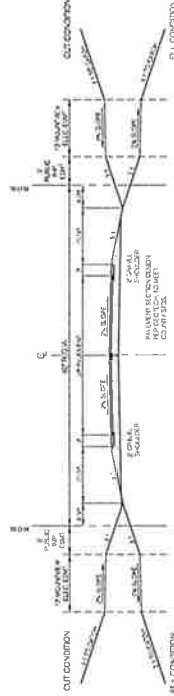


N.E.S. Inc.
619 N. Cascade Avenue, Suite 200
Colorado Springs, CO 80903
Tel. 719.471.0073
Fax 719.471.0067
www.nesincolorado.com
• P.L.C. 03-04-0004



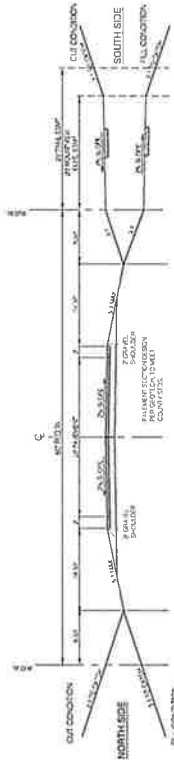
S1 URBAN LOCAL ROAD TYPICAL SECTION - 50' ROW

SCALE: 1" = 10'



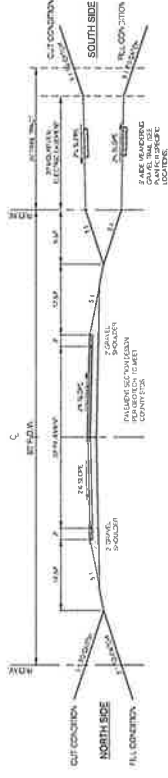
S2 RURAL LOCAL ROAD TYPICAL SECTION - 80' ROW

SCALE: 1" = 10'



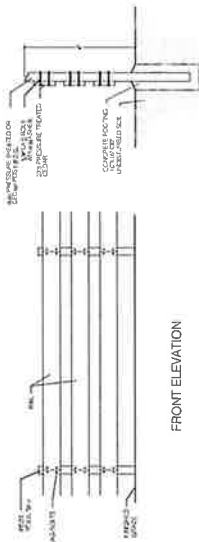
S3 ARROYA LANE INTERIM RURAL LOCAL ROAD SECTION - 80' ROW

SCALE: 1" = 10'



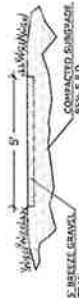
S4 ARROYA LANE FUTURE RURAL MINOR COLLECTOR ROAD SECTION - 80' ROW

SCALE: 1" = 10'



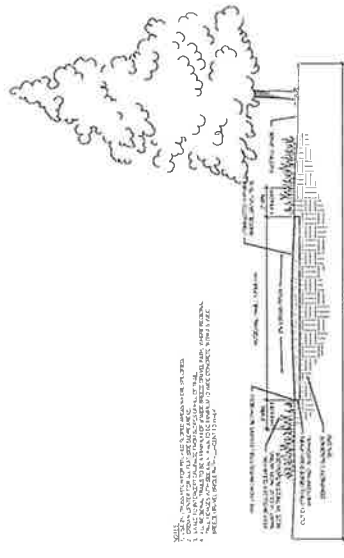
D1 3-RAIL WOODEN FENCE

SCALE: 1" = 10'



D2 GRAVEL METRO. DISTRICT (LOCAL) TRAIL SECTION

SCALE: 1" = 10'



D3 BREEZE GRAVEL REGIONAL MULTI-USE TRAIL SECTION

SCALE: 1" = 10'

Retreat at TimberRidge

Preliminary Plan

EL PASO COUNTY, CO

DRAWN BY: J. HARRIS
CHECKED BY: J. HARRIS
DATE: 10/10/03

SITE SECTIONS
& DETAILS

6

8

SP 182

PRELIMINARY PLAN

El Paso County, Colorado



AT LEAST TEN DAYS PRIOR TO THE ANTICIPATED START OF CONSTRUCTION FOR PROJECTS THAT WILL DISTURB 1 ACRE OR MORE (ONE ACRE OR MORE AFTER JULY 1, 2002), THE OWNER OR OPERATOR OF THE CONSTRUCTION ACTIVITY SHALL SUBMIT A PERMIT APPLICATION FOR EROSION CONTROL TO THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT. THE QUALITY CONTROL DIVISION OF THE APPLICATION CONTAINS CERTIFICATION OF COMPLETION OF A STORMWATER MANAGEMENT PLAN (SWMP) OF WHICH THIS GRADING AND EROSION CONTROL PLAN MAY BE A PART. FOR INFORMATION ON APPLICATION MATERIALS CONTACT:

COLORADO DEPARTMENT OF PUBLIC
HEALTH AND ENVIRONMENT
WATER QUALITY CONTROL DIVISION
WOOD - PERMITS
4300 CHERRY CREEK DRIVE SOUTH
DENVER, CO 80246-1530
ATTN: PERMITS UNIT

2. ALL DISTURBED AREAS TO BE RESEEDED UPON COMPLETION OF OVERLOT GRADING AND EROSION CONTROL MEASURES HAVE BEEN INSTALLED OR WITHIN 60 DAYS, WHICHEVER IS LESS.

3. SEE SHEET 1 FOR EROSION CONTROL NOTES
AND SHEET 4 FOR EROSION CONTROL DETAILS.



0-9	ON FRONT
0-9	ON BACK
0-9	ON TOP
0-9	LOT
0-9	WARRANT LOT
0-9	TRAILER LOT
0-9	CARDINAL LOT

SCALE: 1" = 200'

[illegible]

RESOLUTION NO. 07-272
EXHIBIT A
SPECIAL DISTRICT POLICIES

I. PURPOSE, INTENT AND APPLICATION

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

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

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

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

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

II. **BACKGROUND**

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

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

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

III. **OVERALL SERVICE PLAN POLICIES**

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

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

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

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

G. Disclosure, Notice and Annual Reports

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

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

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

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

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

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

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

IV. **SERVICE PLAN REQUIREMENTS & PROCEDURES**

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

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

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

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

B. Eligible Improvements.

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

C. Acquisitions and Eminent Domain

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

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

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

D. Authorization of Debt and Issuance of Bonds

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

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

F. **Multiple Districts.**

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

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

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

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

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

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

H. Covenant Enforcement and Homeowner's Association Functions.

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

I. Service Plan Amendments & Material Modifications.

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

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

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

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

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

V. DEFINITIONS

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

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

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

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

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

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

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

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

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
CRAIG DOSSEY, EXECUTIVE DIRECTOR

Planning Commission Meeting
Tuesday, August 20, 2019
El Paso County Planning and Community Development Department
2880 International Circle, Hearing Room
Colorado Springs, Colorado 80910

REGULAR HEARING

9:00 a.m.

**PRESENT AND VOTING: BRIAN RISLEY, TOM BAILEY, TIM TROWBRIDGE,
ALLAN CREELY, SARAH BRITTAIN JACK, AND BECKY FULLER**

PRESENT AND NOT VOTING: NONE

ABSENT: JANE DILLON, JOAN LUCIA-TREESE, GRACE BLEA-NUNEZ

**STAFF PRESENT: CRAIG DOSSEY, KARI PARSONS, JEFF RICE, AND EL PASO
COUNTY ATTORNEY LORI SEAGO**

**OTHERS SPEAKING AT THE HEARING: JUDY VON AHELFELDT AND PATRICK
HRBACEK**

Report Items

**1. A. Report Items -- Planning and Community Development Department --
Mr. Dossey**

- a) The next scheduled Planning Commission meeting is for Tuesday,
September 17, 2019. There will be no meeting for Tuesday,
September 3, 2019.**
- b) Three PCD staff have resigned. Two planners have been hired;
one from Florida and one from Texas. Other vacancies will be
posted soon.**

- c) **Mr. Dossey** gave an update of the Planning Commission agenda items and action taken by the Board of County Commissioners since the last Planning Commission meeting as well as a Planning and Community Development progress report of permits and projects in process.
- d) The Colorado Water Congress will hold a session today (August 20) that **Mr. Gebhart** and **Mr. Will Koger** from Forsgren Associates will present the County's Water Master Plan.
- e) **Mr. Dossey** gave an update on the Master Plan process during report items instead of at the end of the hearing. He indicated that the small area plans are continuing to be reviewed. Ellicott and South Central Plans have been completed. The Ute Pass, Falcon/Peyton Plan, and Highway 115 Plans are next to be reviewed.
- f) **Mr. Creely** inquired as to the possibility of a joint PC and BoCC hearing. **Mr. Dossey** stated he would reach out to the Commissioners.

B. Public Input on Items Not Listed on the Agenda

Ms. Judy Von Ahelfeldt requested a time to be on a PC agenda in September to discuss her Prairie Necklace plan.

2. Consent Items

A. Approval of the Minutes – August 6, 2019

The minutes were approved as presented. (6-0)

B. Master Plan Advisory Committee Appointment

PC ACTION: CREELY NOMINATED/BAILEY SECONDED TO APPROVE MR. TROWBRIDGE AS THE FINAL REPRESENTATIVE FROM THE PLANNING COMMISSION TO BE ON THE MASTER PLAN ADVISORY COMMITTEE. MR. TROWBRIDGE ACCEPTED THE NOMINATION AND THE MOTION WAS APPROVED (6-0). THERE ARE NOW FOUR (4) PLANNING COMMISSION REPRESENTATIVES ON THE MASTER PLAN ADVISORY COMMITTEE.

REGULAR ITEMS

3. ID-17-002

PARSONS

SPECIAL DISTRICT SERVICE PLAN RETREAT METROPOLITAN DISTRICTS NOS. 1 AND 2

A request by TimberRidge Development Group, LLC, and TimberRidge Estates, LLC, for approval of a Colorado Revised Statutes Title 32 Special District service plan for the Retreat Metropolitan Districts Nos. 1 and 2. The proposed Districts are located north of the proposed Briargate-Stapleton Corridor, east of Vollmer Road, adjacent to Arroya Lane and within Sections 21, 22, 27, and 28, Township 12 South, Range 65 West of the 6th Principal Meridian. The applicant is proposing the following: a maximum debt authorization of \$14.5 million, a debt mill levy of 50 mills with a maximum of 65 mills and an operations and maintenance mill levy of 10 mills, and 5 mills for covenant enforcement. The statutory purposes of the proposed Districts include: 1) street improvements and safety protection; 2) design, construction, financing, and maintenance of drainage facilities; 3) design, acquisition, construction, and maintenance of recreation facilities; 4) mosquito control; and 5) covenant enforcement, 6) design, construction, financing, and maintenance of public water and sanitation systems, and 7) television relay and translation, and security services. Properties within the boundaries of the proposed Districts are included within the Black Forest Preservation Plan (1987). (Parcel Nos. 52000-00-398, 52270-00-001, 52270-00-003, 52270-00-004, 52280-00-019 & 52220-00-023) (Commissioner District No. 2) **Type of Hearing: Quasi-Judicial**

Ms. Parsons gave an overview of service plans in general and then asked **Ms. Seago** to go over the mandatory and discretionary criteria for approval and disapproval of a service plan.

Ms. Parsons asked the applicants' representative **Mr. Patrick Hrbacek** to give their presentation.

Mr. Creely – Over what period of time will the infrastructure be built? **Mr. Hrbacek** – Over about a 1-2 year period. The public infrastructure such as roads etc. need to go in first. The bond issuance happens after several years once we satisfy underwriters that there is sufficient financial stability. The assessed property generates the mill levy. Obviously, built and occupied homes provide more of that expected mill levy.

Ms. Fuller – If build out is too slow, then is it correct to say that the bond holder will not issue the bonds so the District would not receive their money? **Mr. Hrbacek** – That is correct.

Ms. Parsons gave her full presentation to the Planning Commission.

Ms. Fuller – What would a tax bill be on a home assessed at \$650,000? **Ms. Parsons** – We will get you that information over break. **Mr. Rice** did some math over the break and a \$650,000 home would have a total tax of around \$3,300 without a district. With a district it would be about \$6,900.

Mr. Risley – The larger parcels above 2.5 acres would have septic systems and dwells. The smaller lots would rely on central services. If I live on one of those larger lots and I'm required to pay those fees regardless, how does that work?

Ms. Parsons – The home values are assessed with or without a septic system.

Mr. Bailey – I would equate that to a school tax, you pay it whether or not you have children. **Mr. Trowbridge** – Aside from street maintenance or common

areas, they wouldn't use the other services of the metro district. **Mr. Hrbacek** – There is no differentiating assessments. There is an annual disclosure report done each year and is provided to the homeowners. **Mr. Dossey** – I think when you consider the cost of extending infrastructure to all the lots, it is a lot pricier to extend that infrastructure even beyond and through those bigger lots than there are to the smaller lots. **Mr. Risley** – So the bigger lots could get those central services even though they have the option of not using them if they have 2.5 acres lots or bigger. **Mr. Trowbridge** – Would the district bear the cost of taking on those central services or would the homeowner be responsible? **Mr. Dossey** – The homeowner would most likely be responsible.

Mr. Trowbridge – Who is the water provider? **Mr. Hrbacek** – Sterling Ranch will be the provider.

Ms. Fuller – There's going to be a Phase I group that won't benefit from all the services that will be provided and yet they are paying for them up front. **Mr.**

Hrbacek -- The developer has to put in all of the infrastructure, that's a fixed cost. Everyone pays for access to those services. All homeowners are made available to that information. **Mr. Bailey** – When they put in the sewer and water lines under the roads, they are there if they are needed for even the larger lots later on and just extensions are made to the services.

Ms. Brittain Jack – Do these changes come back to the Planning Commission?

Ms. Parsons – The Executive Director has the authority to administratively approve any changes. **Ms. Seago** – Once they are created, we have no further jurisdiction. **Mr. Dossey** – The oversight is at the DOLA level once the district has been informed. We are only involved if they ask for a change, such as a material modification.

Mr. Trowbridge – I'm hung up on the fact that they have to borrow from another district. **Ms. Parsons** – Sterling Ranch encompasses about 1400 acres and has

a larger amount of debt mill levy. **Mr. Dossey** – When we look at the criteria, are you creating a new wastewater treatment plant or water plant? The format by which they are providing the services is something we want to encourage, but what we don't want is a plethora of wastewater treatment or water plants out there. If we can focus on minimizing those kinds of facilities, that's what we want to do at the County level. From a regional standpoint, it's preferable to extend into other areas without having to burden those services onto a new district. It's extremely difficult to permit a wastewater system.

Mr. Trowbridge – I totally agree with that, and I'm happy to see that they aren't creating those things. Forming this district when services are available elsewhere is more of my question. With regard to fairness to everyone, can't you create multiple districts with different mill levies within those districts to be more fair to all homeowners? **Mr. Dossey** – Yes you can; but the same applies to drainage and roads. It will be disproportionate to all homeowners with regard to infrastructure. One of the other challenges is representation. The district board is controlled by homeowners. There may not be any representation from the 193 homes, and Sterling Ranch would have representation from 1400 homes. So to have their own district is a good thing.

IN FAVOR: NONE

IN OPPOSITION:

Ms. Von Ahlefeldt gave information regarding the Retreat at TimberRidge. Her 15 page report is on permanent file.

Mr. Hrbacek – We provided the five-mile radius map just for context. Most of the concerns raised were non land use things that we don't believe need addressed.

DISCUSSION: NONE

PC ACTION: BAILEY MADE A MOTION/FULLER SECONDED TO APPROVE REGULAR ITEM #3 FOR THE RETREAT SERVICE PLAN WITH EIGHT (8) CONDITIONS AND TWO (2) NOTATIONS UTILIZING RESOLUTION PAGE 37, MORE PARTICULARLY DESCRIBED ON PAGE 19-054 AND THAT THIS ITEM BE FORWARDED TO THE BOARD OF COUNTY COMMISSIONERS. THE MOTION WAS APPROVED. (6-0)

Mr. Risley – This maybe could have gone more quickly had you had more information about how it relates to the review criteria.

SPECIAL DISTRICT (Recommend Approved)

Commissioner Bailey moved that the following Resolution be adopted:

BEFORE THE PLANNING COMMISSION

OF THE COUNTY OF EL PASO

STATE OF COLORADO

RESOLUTION NO. ID-17-002

Retreat Metro Districts Nos. 1 and 2

WHEREAS, TimberRidge Development Group, LLC, and TimberRidge Estates, 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 this Commission on August 20, 2019; 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 Retreat Metropolitan Districts Nos. 1 and 2, 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 Commission 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.
2. That proper posting, publication and public notice were provided as required by law for the hearing before the Planning Commission.
3. That the hearing before the Planning Commission was extensive and complete, that all pertinent facts, matters and issues were submitted and that all interested persons were heard at that hearing.
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 its 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 as defined in C.R.S §32-1-204 and the El Paso County Land Development Code.
11. The proposal is in substantial compliance with a Master Plan adopted pursuant to Colorado Revised Statutes Section 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 that the El Paso County Planning Commission recommends the service plan for Retreat Metropolitan Districts Nos. 1 and 2 be approved for the following, subject to the following:

CONDITIONS OF APPROVAL

1. As stated in the proposed service plan, the maximum combined mill levy, including mills for debt service, operations and maintenance, and covenant enforcement shall not exceed 65 mills for any property within the Districts, with no more than 50 mills devoted to debt service, no more than 10 mills devoted to operations and maintenance, and no more than 5 mills for covenant enforcement until and unless the Districts receive Board of County Commissioner approval to increase the maximum mill levies.
2. As stated in the attached service plan, the maximum authorized debt for the Districts shall be limited to \$14.5 million until and unless the Districts receive Board of County Commissioner approval to increase the maximum authorized debt.
3. Approval of the service plan for the proposed Districts includes the use of eminent domain powers by the Districts for the acquisition of property that the Districts intend to be owned, controlled, or maintained by the Districts or other 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 a

recommendation by the Board of County Commissioners at a publicly noticed hearing that the use of eminent domain is necessary in order for the Districts 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 Districts (any territory more than five (5) miles from any District boundary line) shall be considered a material modification of the amended Service Plan and shall require prior Board of County Commissioners' approval.
5. The Districts shall provide a disclosure form to future purchasers of property in a form consistent with the approved Special District Annual Report form. The developer shall provide written notation on each subsequent final plat associated with the subsequent development of the annually filed public notice and include reference to the El Paso County Planning and Community Development website where the most up-to-date notice can be found. County staff is authorized to administratively approve updates to the disclosure form to reflect current contact information and calculations.
6. The Districts 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 Districts the express authority of covenant enforcement, including the imposition of fees for such enforcement.
8. 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 at the final plat stage to guarantee the construction of improvements.

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

AND BE IT FURTHER RESOLVED that this Resolution and recommendations be forwarded to the Board of County Commissioners of El Paso County for its consideration.

Commissioner Fuller seconded the adoption of the foregoing Resolution.

The roll having been called, the vote was as follows:

Commissioner Bailey	aye
Commissioner Fuller	aye
Commissioner Risley	aye
Commissioner Trowbridge	aye
Commissioner Creely	aye
Commissioner Brittain Jack	aye

The Resolution was adopted by a vote of 6 to 0 by the El Paso County Planning Commission, State of Colorado.

DATED: August 20, 2019

Brian Risley, Chair

APPENDIX A

LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF SECTIONS 21, 22, 27 AND 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, BEING ALL OF THOSE PARCELS OF LAND DESCRIBED IN DOCUMENTS RECORDED UNDER RECEPTION NO.'S 219018917 AND 218022138, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE WEST END WHICH IS THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, BY A 3-1/4" ALUMINUM SURVEYORS CAP STAMPED "ESI PLS 10376, 2006" AND AT THE EAST END, WHICH IS A 30' WITNESS CORNER TO THE EAST OF THE EAST QUARTER CORNER OF SAID SECTION 28, BY A 3-1/4" ALUMINUM SURVEYORS CAP STAMPED "ESI 10376, 2006", IS ASSUMED TO BEAR S89°08'28"W A DISTANCE OF 1356.68 FEET.

COMMENCING AT THE CENTER-EAST 1/16 CORNER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, SAID POINT BEING THE POINT OF BEGINNING;

THENCE N00°30'49"W, ON THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1270.77 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF VOLLMER ROAD AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK 2678 AT PAGE 430, RECORDS OF EL PASO COUNTY, COLORADO;

THENCE N21°41'10"E, ON SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1450.84 FEET TO THE SOUTHWESTERLY CORNER OF THE RIGHT OF WAY LINE OF VOLLMER ROAD AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK 2678 AT PAGE 431;

THENCE ON SAID RIGHT OF WAY LINE OF VOLLMER ROAD THE FOLLOWING (4) FOUR COURSES:

1. N89°40'23"E, A DISTANCE OF 761.52 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 28;
2. N00°52'58"W, ON SAID EAST LINE, A DISTANCE OF 30.00 FEET TO THE SOUTHEAST CORNER OF SECTION 21, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN;
3. N00°37'14"W, ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 21, A DISTANCE OF 30.00 FEET;
4. S89°40'23"W, A DISTANCE OF 736.82 FEET TO POINT ON SAID EASTERLY RIGHT OF WAY LINE OF VOLLMER ROAD;

THENCE N21°41'10"E, ON SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 113.82 FEET;
 THENCE S68°18'50"E, A DISTANCE OF 145.93 FEET TO A POINT OF CURVE;
 THENCE ON AN ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 22°00'47", A RADIUS OF 560.00 FEET AND A DISTANCE OF 215.15 FEET TO A POINT OF TANGENT;
 THENCE N89°40'23"E, A DISTANCE OF 348.92 FEET;
 THENCE N88°38'56"E, A DISTANCE OF 477.80 FEET;
 THENCE N47°35'42"E, A DISTANCE OF 44.33 FEET;
 THENCE N36°59'01"E, A DISTANCE OF 517.38 FEET;
 THENCE N56°32'31"E, A DISTANCE OF 489.24 FEET;
 THENCE N38°17'19"E, A DISTANCE OF 182.67 FEET;
 THENCE N89°41'56"E, A DISTANCE OF 1283.66 FEET TO A POINT ON A LINE 30.00 FEET WESTERLY AND PARALLEL TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN;
 THENCE S00°18'04"E, ON SAID PARALLEL LINE, A DISTANCE OF 852.22 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 22;
 THENCE S88°38'53"W, ON SAID SOUTH LINE, A DISTANCE OF 1300.52 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN;
 THENCE S00°54'30"E, ON THE EAST LINE OF THE NORTHWEST QUARTER AND THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 27, A DISTANCE OF 3925.63 TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27;
 THENCE S87°35'00"W, ON THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27, A DISTANCE OF 1332.78 FEET TO THE SOUTHWEST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27;
 THENCE N00°53'18"W ON THE WEST LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27, A DISTANCE OF 1316.78 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 28;
 THENCE S89°08'28"W, ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1326.68 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 227.075 ACRES.