

CONSOLIDATED SERVICE PLAN FOR HANCOCK METROPOLITAN DISTRICT NOS. 1 & 2

White Bear Ankele Tanaka & Waldron

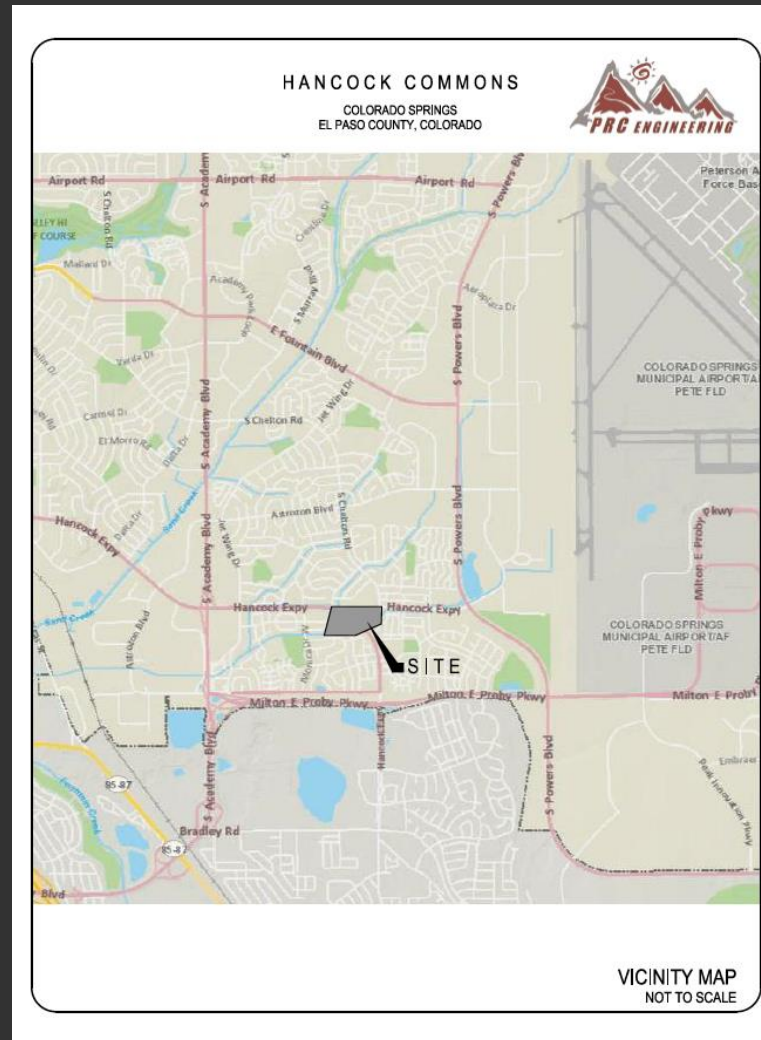
2154 East Commons Avenue, Suite 2000

Centennial, CO 80122

Blair M. Dickhoner, Esq.

VICINITY MAP

- Project is generally located along the portion of Hancock Expressway that is being re-routed.



BACKGROUND INFORMATION

- Special Districts are formed under Title 32 of the Colorado Revised Statutes.
- The City of Colorado Springs adopted a Special District Policy (the “Policy”), which was approved on January 24, 2006.
- According to the Policy, the City’s Model Service Plan contains the complete and comprehensive description of all Policy components.
- The petitioners are requesting the City Council approve the Consolidated Service Plan for Hancock Metropolitan District Nos. 1 & 2 (the “Service Plan”).
- For the most part, the Service Plan is in substantial compliance with City’s Model Service Plan except for the request to impose a Special Purpose Mill Levy, which will be explained later in this presentation.

HANCOCK METROPOLITAN DISTRICT NOS. 1 & 2 CONSOLIDATED SERVICE PLAN

- Based on City of Colorado Springs Multiple District Model Service Plan
- Organization to occur at the November 2, 2021 election
- Two district structure
 - District No. 1- Residential district
 - District No. 2- Commercial district
- Estimated Cost of Improvements - \$5,500,000

KEY TERMS OF SERVICE PLAN

District No. 1- Residential District	
Residential Space	15.81 acres
Estimated population at build-out	825 - 1,000 people
Maximum Debt Limit (aggregate for District Nos. 1 and 2)	\$8,257,000
Maximum Debt Mill Levy	30 mills, subject to Gallagher Adjustment
Maximum Debt Mill Levy Imposition Term	40 years from the date of initial imposition
Maximum Operating Mill Levy	10 mills, subject to Gallagher Adjustment
Maximum Aggregate Mill Levy	40 mills, subject to Gallagher Adjustment

KEY TERMS OF SERVICE PLAN

District No. 2- Commercial District	
Commercial Space	3.8 acres
Estimated population at build-out	0
Maximum Debt Limit (aggregate for District Nos. 1 and 2)	\$8,257,000
Maximum Debt Mill Levy	50 mills, subject to Gallagher Adjustment
Maximum Debt Mill Levy Imposition Term	40 years from the date of initial imposition
Maximum Operating Mill Levy	10 mills, subject to Gallagher Adjustment
Maximum Aggregate Mill Levy	60 mills, subject to Gallagher Adjustment

PUBLIC IMPROVEMENTS TO BE FUNDED BY THE DISTRICTS

- Demolition and reconstruction of Hancock Expressway;
- Detention Ponds (3);
- Channel way;
- Water Improvements;
- Sanitary Sewer Improvements;
- Parks and Recreation;
- Traffic and Safety Controls

CITY COUNCIL PROPOSED FINDINGS REGARDING THE SERVICE PLAN

- The criteria set forth in Section 32-1-203(2), C.R.S.
 - There is sufficient existing and projected need for organized service within the project.
 - The existing service within the project is inadequate for present and projected needs.
 - The proposed Districts are capable of providing economical and sufficient service to the project.
 - The property within the District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.
- The Service Plan is in substantial compliance with the City of Colorado Springs Multiple District Model Service plan.

BENEFITS OF APPROVING THE SERVICE PLAN

- There is no other entity willing or able to provide service to the property.
- The Districts are able to fund significant public improvements related to demolition and reconstruction of the Hancock Expressway which are necessary for the projected needs of the community.
- The Financial Plan prepared by D.A. Davidson & Co. shows that the District will have the financial ability to discharge the proposed indebtedness of \$8,257,000.

Questions?