



614 N. Tejon Street
Colorado Springs, Colorado 80903

November 30, 2022

Mr. Carl Schueler
City of Colorado Springs
PO Box 1575
Colorado Springs, CO 80947

Re: Transmittal letter for service plan amendment approval for Vistas at West Mesa Metropolitan District

Mr. Schueler,

Please find attached the documents necessary for the City to review and approve the Service Plan for the District.

The documents include:

1. Transmittal Letter
 - a. -transmittal letter should specifically address the 4 required statutory criteria - attached
 - b. -letter should also address any exceptions from model service plan/ Special District Policy of there are any – None proposed
2. Application Fee – in delivery to City Clerk
3. Redline against the model service plan - attached
4. Final draft service plan with exhibits - attached
5. Estimate of eligible costs that ties to maximum authorized debt limit in service plan – attached in final draft

We are proceeding to notify current contract purchasers of the changes to the Service Plan, new mill levy caps and meeting schedule. We have also posted this to our website.

Please note that the 2022 bond issuance mentioned in Exhibit D has already occurred.

Please contact me if you have any questions.

Thank you.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam Noel'.

Adam Noel
WSDM, LLC

Transmittal Letter Attachment
Vistas at West Mesa Metropolitan District
Statutory Criteria for District Establishment

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

The purpose of the District is to construct, finance, operate and maintain certain public facilities and improvements. These include streets, utilities, landscape and storm water improvements. It is anticipated that the Districts will own, operate and maintain the streets, landscape and certain stormwater facilities in addition to financing certain public utility and stormwater facilities that will be owned and maintained by the City. .

The implementation and utilization of metropolitan districts here will also help to make housing more affordable for buyers. By providing the opportunity to finance the construction of public infrastructure through the municipal bond market, metropolitan districts achieve reduced borrowing costs and shift a portion of the public improvement costs from the non-tax-deductible sale price of the home to a bond that is paid off through tax deductible property tax payments.

B. The existing services in the area to be served by the proposed special districts is inadequate for present and projected needs.

There are currently no other governmental entities, including the City, 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.

C. The proposed special districts are capable of providing economical and sufficient service to the area within its proposed boundaries.

The formation of the Districts will allow the public facilities and improvements to be constructed in a timely manner and at reduced borrowing costs. The Districts have public financing tools available to them that will lower the costs of construction of the facilities and improvements.

D. The areas to be included in the proposed special districts have, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

As noted in the Draft Service Plan, the estimated cost of the improvements to be constructed is \$3,200,000. Enclosed is a summary of estimated infrastructure costs for the project that details the eligible improvements. The District intends to finance the proposed facilities, improvements, and services through the issuance of tax-exempt bonds, to be repaid from *ad valorem* property taxes and fees.

The maximum debt authorization is based on financing projections prepared by Piper Sandler and is proposed to be \$4,500,000. The proposed debt capacity is sufficient to cover the costs of the expected infrastructure improvements and the financing projections demonstrate that this debt can be supported by the development of the project.