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July 1, 2020

VIA E-MAIL

Carl Schueler
Comprehensive Planning Manager
City Administration Building
30 S. Nevada Ave., Suite 101
Colorado Springs, Colorado 80901
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**Re: Supplement to Service Plan Application - (Proposed) Greenways
Metropolitan District Nos. 1 - 3**

Dear Mr. Schueler:

On behalf of Classic Homes (“Petitioner”), we would like to supplement our submittal materials for the (Proposed) Greenways Metropolitan District Nos. 1-3 (collectively, the “Districts”) following discussions with City Staff and the Budget Committee. In this letter, we explain the revisions to the total debt limitation and we summarize how the Service Plan meets each of the four statutory criteria.

1. Cost Estimate and Total Debt Issuance Limitation Uncoupled Among Districts

Previously, the Service Plan provided a combined total debt issuance limitation for all three Districts. Per the Budget Committee’s request, we have separated out the anticipated bonding capacity between District Nos. 1 and 3 and District No. 2 and identified in the Service Plan a total debt issuance limitation for District Nos. 1 and 3, collectively, and District No. 2. Enclosed herewith are the anticipated public improvement cost estimates to support the total debt issuance limitation for District Nos. 1 & 3, collectively, and District No. 2. District No. 1 is combined with District No. 3 because District No. 1 is anticipated to consist of only a small area of commercial development and therefore will require limited infrastructure and will have low bonding capacity.

2. Satisfaction of Statutory Criteria

The Service Plan establishes the four criteria required by Section 32-1-203(2), C.R.S., and Section 122-35 of the City Code, as well as the five additional discretionary factors pursuant to

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Section 32-1-203(2), C.R.S. Below is a summary of how the Service Plan meetings the four required criteria.

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

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

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

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

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

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

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

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



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the Districts to finance the facilities identified in the Service Plan and allow the Districts to discharge the proposed indebtedness on a reasonable basis.

Thank you for your time and consideration of this supplement to our initial submittal. Please let us know if you have any questions or require additional information. We look forward to continuing to work with you in the formation of the Districts.

Best regards,

/s/ Nicole Finco

Nicole Finco

Enclosures

GREENWAYS AT SAND CREEK - DISTRICT ASSUMPTIONS

Doug S/ Bill R
6.26.20

COMBINED DISTRICT 1 (COMMERCIAL) AND DISTRICT 3 (GREENWAYS SOUTH RESIDENTIAL)

IMPROVEMENTS	Quantity	Unit	Unit Cost	Total Cost
Access Road Though Existing Entrance Looping to S Carefree and Related Roads and Utilities				\$ 5,328,250
Sewer 8" Relocate	6,400	lf	\$250.00	\$ 1,600,000
Sewer 8"	5,450	lf	\$125.00	\$ 681,250
Water 12"	7,400	lf	\$155.00	\$ 1,147,000
Curb	22,000	lf	\$25.00	\$ 550,000
CTS/Paving	45,000	sy	\$30.00	\$ 1,350,000
S Carefree Extention and Related Roads and Utilities				\$ 1,888,625
Sewer 8" Relocate	4,250	lf	\$250.00	\$ 1,062,500
Water 12"	3,375	lf	\$155.00	\$ 523,125
Curb	3,900	lf	\$25.00	\$ 97,500
CTS/Paving	6,850	sy	\$30.00	\$ 205,500
2 Roundabouts on Tutt and 1 on S Carefree	3	ea	\$ 500,000.00	\$ 1,500,000

PARKS

Community Park	8	acre	\$400,000	\$ 3,200,000
Trail Construction and associated amenities, including refurb of 3 Pedestrian Bridges				\$2,500,000
Community Center/Pavillon in Neighborhood Park	1	ea		\$1,000,000
			Subtotal	\$ 6,700,000

DETENTION

Multiple On-Site Detention Facilities and Drainages				\$2,500,000
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NON POTABLE WATER SYSTEM AND EXTENSION FOR PARKS, OPEN SPACE AND LANDSCAPING

Upgrade to Pump House and Equipment				\$750,000
Extension of Water Lines to Park and other Landscaped Areas	20,000	lf	\$65	\$1,300,000
Improvements to Wells and Pumping				\$400,000
			Subtotal	\$2,450,000

LANDSCAPING OF OPEN SPACES, TRACTS AND ROW'S	10 acres	\$120,000	\$1,200,000
TOTAL OF ELIGIBLE COSTS FOR DISTRICTS 1 AND 3		TOTAL \$	21,566,875

DISTRICT 2 - NORTH GREENWAYS RESIDENTIAL

IMPROVEMENTS

RI/RO off North Carefree and Roads and utilities in Greenways North		\$	3,787,500
Sewer 8"	7,500 lf	\$125 \$	937,500
Water 8"	7,500 lf	\$140 \$	1,050,000
Curb	16,000 lf	\$25 \$	400,000
CTS/Paving	30,000 sy	\$30 \$	900,000
Island Medians and associated Improvements	2 ea	\$250,000 \$	500,000

DETENTION

Multiple On-Site Detention Facilities and Drainage Improvements			\$1,500,000
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LANDSCAPING OF OPEN SPACES, TRACTS AND ROW'S	2 acres	\$120,000 \$	240,000
TOTAL OF ELIGIBLE EXPENSES FOR DISTRICT 2		\$	5,527,500