

NORTH MEADOW METROPOLITAN DISTRICT NOS. 1-5

Colorado Springs Budget Committee Meeting
September 27, 2022



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District Location



Summary

- Compliant with new Model Service Plan
- Service area covers approximately 808 acres
- Multiple District Structure but no Combination of Districts
- The project will consist of single and multi-family residences, apartments, and commercial



Public Improvement Cost Estimates

| | |
|-----------------|--------------|
| Grading | \$4,693,000 |
| Sanitary Sewer | \$28,517,000 |
| Water | \$35,059,000 |
| Drainage | \$30,525,000 |
| Concrete | \$32,483,000 |
| Paving | \$41,300,000 |
| Traffic Control | \$509,000 |
| Streetscape | \$7,808,000 |

| | |
|--------------------|--------------|
| Neighborhood Parks | \$14,553,000 |
| Community Wall | \$2,262,000 |

Total: \$197,709,000

Financial Plan

- Maximum Debt Mill Levy: **50 mills** (per model)
- Maximum O&M Mill Levy for Residential Districts: **20 mills** (per model)
- Maximum O&M Mill Levy for Commercial Districts: **10 mills** (per model)
- Maximum Collective Debt Authorization Limitation: **\$200,000,000** (same as original service plan, all currently authorized but unissued)
- Maximum Debt Mill Levy Imposition for Residential Districts: **40 years** (per model)
- Impact on \$500,000 Residence:
 - Total Mill Levy: 60 mills
 - Calculation:
 - $\$500,000 \times 0.0715 = \$35,750$ (assessed valuation)
 - $\$35,750 \times 0.060 = \mathbf{\$2,145 \text{ taxes owed per year}}$
 - $= \mathbf{\$178.75 \text{ taxes owed each month}}$



| North Meadow Metropolitan District #2- Development Projection | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Commercial | | | | | |
| Statutory Actual Value ('22) | W of BL Pkwy | E of BL Pkwy | N of Woodmen | E of FOD | Total Commercial |
| | \$262 | \$262 | \$262 | \$262 | |
| Sales ('22) | \$287/ft | \$287/ft | \$287/ft | \$287/ft | |
| Sales Collected | 75% | 100% | 100% | 100% | |
| 2022 | | | | | |
| 2023 | | | | | |
| 2024 | 31,642 | | | | 31,642 |
| 2025 | 31,642 | 26,593 | 22,535 | | 110,770 |
| 2026 | 31,642 | 26,593 | 22,535 | | 110,770 |
| 2027 | 31,642 | 26,593 | 22,535 | 18,818 | 129,588 |
| 2028 | 31,642 | 26,593 | | 18,818 | 107,053 |
| 2029 | | 26,593 | | | 56,593 |
| 2030 | | | | | |
| Total Feet | 158,210 | 282,965 | 67,605 | 37,636 | 546,416 |
| Total Statutory Actual Value | \$41.5MM | \$74.1MM | \$17.7MM | \$9.9MM | \$143.2MM |
| Annual Sales | \$34.1MM | \$81.2MM | \$19.4MM | \$10.8MM | \$145.5MM |

DEVELOPMENT SUMMARY PROJECTION



| North Meadow Metropolitan District #3- Development Projection | | | | | | | | | |
|---|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|-------------------|
| Residential | | | | | | | | | |
| Statutory Actual Value ('22) | 1 - SFA TH | 2 - SFD (Cottages) | 3 – SFD | 4 – SFD | 8 – SFD | 9 - SFD (F1) | 10 – SFD | 11 - SFD | Total Residential |
| | \$452,817 | \$445,995 | \$502,656 | \$544,170 | \$56,972 | \$561,380 | \$658,370 | \$728,622 | |
| 2022 | | | | | | | | | |
| 2023 | | | 8 | 6 | 12 | | 27 | 10 | 63 |
| 2024 | 56 | 50 | 48 | 40 | 40 | 22 | 140 | 44 | 440 |
| 2025 | 84 | | 48 | 40 | | 36 | 137 | 48 | 393 |
| 2026 | 20 | | 48 | 36 | | | | | 123 |
| 2027 | | | 10 | | | | | | 10 |
| 2028 | | | | | | | | | |
| 2029 | | | | | | | | | |
| 2030 | | | | | | | | | |
| Total Units | 160 | 50 | 162 | 122 | 52 | 58 | 304 | 121 | 1,029 |
| Total Statutory Actual Value | \$72.5MM | \$22.3MM | \$81.4MM | \$66.4MM | \$27.9MM | \$32.6MM | \$200.1MM | \$88.2MM | \$591.4MM |

DEVELOPMENT SUMMARY PROJECTION



| North Meadow Metropolitan District #4- Development Projection | | | | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-------------------|
| Residential | | | | | | | | | |
| Statutory Actual Value ('22) | 1 - SFA TH | 5 – SFD | 6 – SFD | 7 – SFD | 9 – SFD | 10 – SFD | 11 – SFD | RVH – Apts | Total Residential |
| 2022 | \$452,817 | \$450,586 | \$461,444 | \$508,493 | \$561,380 | \$658,380 | \$728,622 | \$265,900 | |
| 2023 | | | | | | | | | |
| 2024 | | | | | | | | 170 | 170 |
| 2025 | | 48 | | 40 | 12 | 3 | | 80 | 183 |
| 2026 | 52 | 32 | 44 | 40 | 48 | 140 | 29 | | 385 |
| 2027 | 60 | | 44 | 15 | 48 | 167 | 31 | | 365 |
| 2028 | 13 | | 17 | | | 80 | | | 110 |
| 2029 | | | | | | | | | |
| 2030 | | | | | | | | | |
| Total Units | 125 | 80 | 105 | 95 | 108 | 390 | 60 | 250 | 1,213 |
| Total Statutory Actual Value | \$56.6MM | \$36.0MM | \$48.5MM | \$48.3MM | \$60.6MM | \$256.8MM | \$43.7MM | \$66.5MM | \$617.0MM |



| North Meadow Metropolitan District #5- Development Projection Residential | | | |
|--|------------------|-----------------|-------------------|
| Statutory Actual Value ('22) | 10 – SFD | SFD – 12 | Total Residential |
| | \$658,370 | \$756,432 | |
| 2022 | | | |
| 2023 | | | |
| 2024 | | | |
| 2025 | | | |
| 2026 | | | |
| 2027 | | 40 | 40 |
| 2028 | 115 | | 115 |
| 2029 | 200 | | 200 |
| 2030 | | | |
| Total Units | 315 | 40 | 355 |
| Total Statutory Actual Value | \$207.4MM | \$30.3MM | \$237.6MM |



Bond Financing Summary:

- The District is currently contemplating issuing a single series of senior-lien, current-interest bonds in late 2023.
- The District anticipates that the Series 2023 Bonds will be issued as non-rated securities, secured by a limited-tax, general obligation pledge, secured by 50 mills on all commercial property (District 2) and 50 mills on all residential property (Districts 3-5).
- The Series 2023 Bonds will be additionally secured by a surplus fund and capitalized interest (three years).
- The Series 2023 Bond transaction is summarized below.
- All Bonds being sold to the market

Limited Tax General Obligation Bonds, Series 2023

| | Series 2023 |
|---------------------------------------|--|
| Tax Status | Tax-Exempt |
| Delivery Date | 12/1/2023 |
| Par Amount (\$) | 180,000,000 |
| Project Fund (\$) | 133,762,000 |
| Capitalized Interest Fund (\$) | 27,000,000 |
| Surplus Fund Deposit | 16,288,000 |
| Cost of Issuance (\$) | 2,950,000 |
| Debt Service Mill Levy | 50 mills (commercial); 50 mills (residential) |
| Interest Rate | 5.00% |
| Final Maturity | 12/1/2053 |
| Optional Redemption | 12/1/2028 at 103%, declining 1% per year |

¹Preliminary estimates based on current market conditions; subject to change. D.A. Davidson makes no commitment to underwrite at these levels