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May 28, 2025

**VIA EMAIL**

City of Colorado Springs  
Attn: Allison Stocker  
Senior Planner  
30 S. Nevada Ave., Suite 701  
Colorado Springs, CO 80903  
[Allison.Stocker@coloradosprings.gov](mailto:Allison.Stocker@coloradosprings.gov)

Re: Tuscan Foothills Village Metropolitan District – Regarding 2025 Refunding Loan  
and Service Plan Amendment

Dear Ms. Stocker:

Tuscan Foothills Village Metropolitan District (the “**District**”) operates pursuant to its Model Service Plan for Tuscan Foothills Village Metropolitan District, approved by the City of Colorado Springs (the “**City**”) on September 27, 2016 (the “**Service Plan**”). On December 5, 2019, the District issued Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2019, in the aggregate original principal amount of \$1,097,139.60, accruing to a final amount of \$1,240,000 (the “**2019 Bonds**”). Since the issuance of the 2019 Bonds, the District’s Board of Directors (the “**Board**”) has become comprised entirely of resident directors. The resident-controlled Board has determined that it is in the best interests of the residents and taxpayers of the District to pursue a refunding of the 2019 Bonds. The District anticipates issuing a Limited Tax General Obligation Refunding Loan, Series 2025, in the estimated principal aggregate amount of \$1,389,000 (the “**2025 Refunding Loan**”), and is seeking the approval of City Council pursuant to Section V.A.10 of the Service Plan.

Section V.A.10 states:

*The issuance of all bonds or other debt instruments of District shall be subject to the approval of the City Council. City Council's review of the bonds or other debt instruments of the Districts shall be conducted to ensure compliance with the Service Plan and all applicable laws. The District shall not issue Debt in an aggregate principal amount in excess of \$1,100,000, provided that the foregoing shall not include the principal amount of Debt issued for the purpose of refunding or refinancing lawfully issued Debt.*

The Board has determined that through the issuance of the 2025 Refunding Loan, it can achieve significant savings to the District that will result in a reduction of the debt service mill levy from its current rate of 39.634 mills to 18.109 mills.

Interest accrued on the 2019 Bonds during the early stages of development within the District, and the District has confirmed with its bond counsel, Taft Stettinius & Hollister LLP, that the issuance of the 2025 Refunding Loan is in compliance with Section V.A.10 of the Service Plan and its provision that refunding outstanding debt does not count against the Service Plan debt limit.

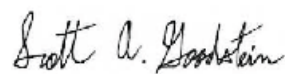
In addition to receiving City Council consent to issue the 2025 Refunding Loan, the District desires to amend its Service Plan to provide more flexibility around operations and future capital expenditures. Under the Service Plan, the District may only impose an operations and maintenance levy of 10.000 mills (subject to adjustment). As a result, the District currently imposes an operations and maintenance fee of \$70.00 per month. The resident-controlled Board would like to amend the Service Plan to allow for an increase in the operations and maintenance mill levy cap to 20.000 mills (subject to adjustment) and the debt service mill levy cap to 35.000 mills (subject to adjustment). These increased mill levies are consistent with the limitations contained within the current Colorado Springs Model Service Plan. Additionally, the District desires to increase its Total Debt Issuance Limitation to \$2,000,000 which will give the resident-controlled Board the flexibility it needs for future capital expenditures. The specific revisions outlined in this letter are reflected in the enclosed First Amendment to Model Service Plan for Tuscan Foothills Village Metropolitan District (the “**First Amendment**”).

Enclosed with this letter is the financing plan prepared by D.A. Davidson & Co., and the First Amendment. The District will separately provide a check made out to the City of Colorado Springs in the amount of \$1,100 to cover the City’s “Authorization of Debt Issuance by District” fee, and another check made out to the City in the amount of \$1,000 to cover the City’s “Amended Metro District Service Plan” fee.

Please consider this letter as a formal request for the City Council to approve the issuance of the 2025 Refunding Loan and the First Amendment. We anticipate this matter being taken up by City Council at the June 9<sup>th</sup> work session and presented to City Council for approval at its meeting on June 24<sup>th</sup>. Should you have any questions in the meantime, please do not hesitate to contact our office.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON

A handwritten signature in dark ink, appearing to read "Scott A. Goodstein". The signature is written in a cursive, slightly slanted style.

Scott A. Goodstein, Esq.

(enclosures)