

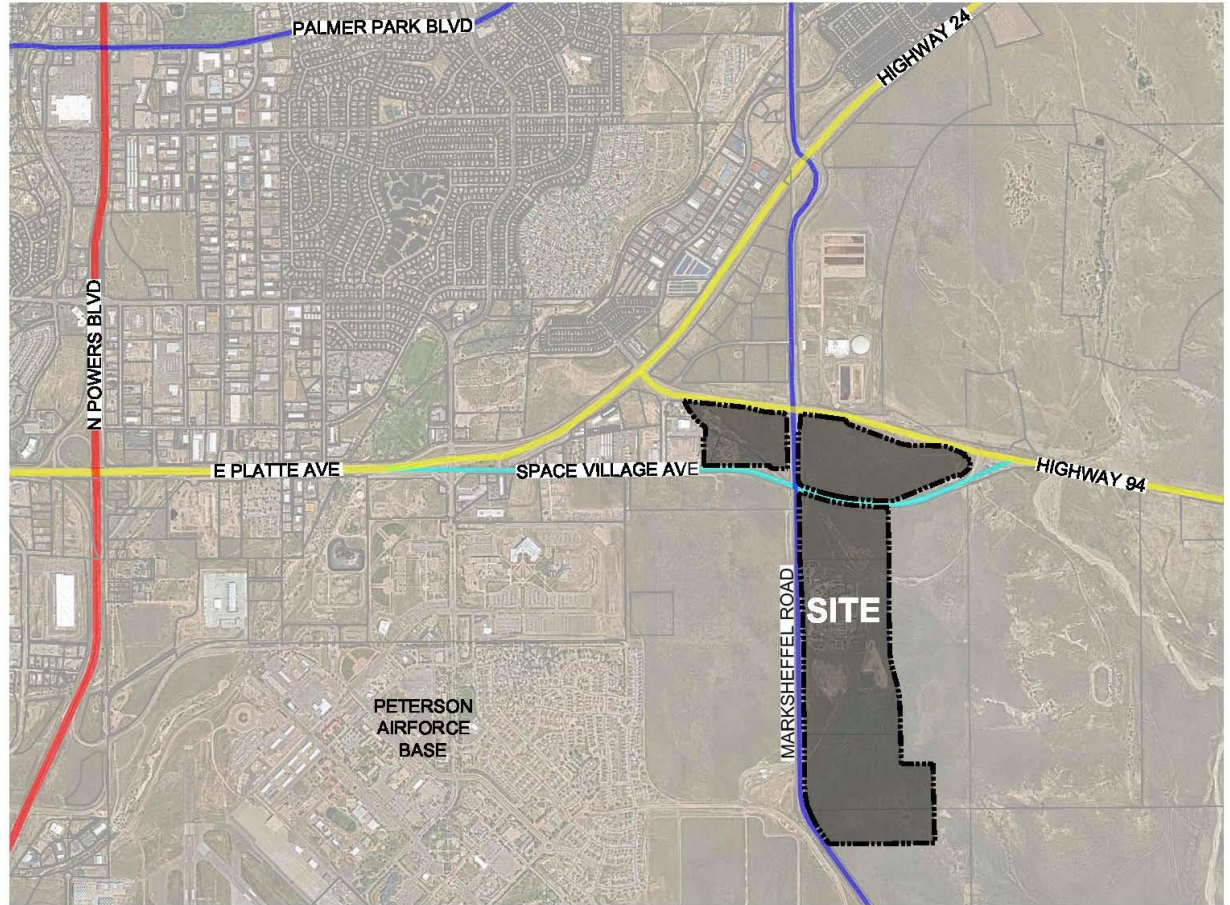
REAGAN RANCH METROPOLITAN DISTRICT NOS. 1-4

Colorado Springs Budget Committee Meeting
October 25, 2022

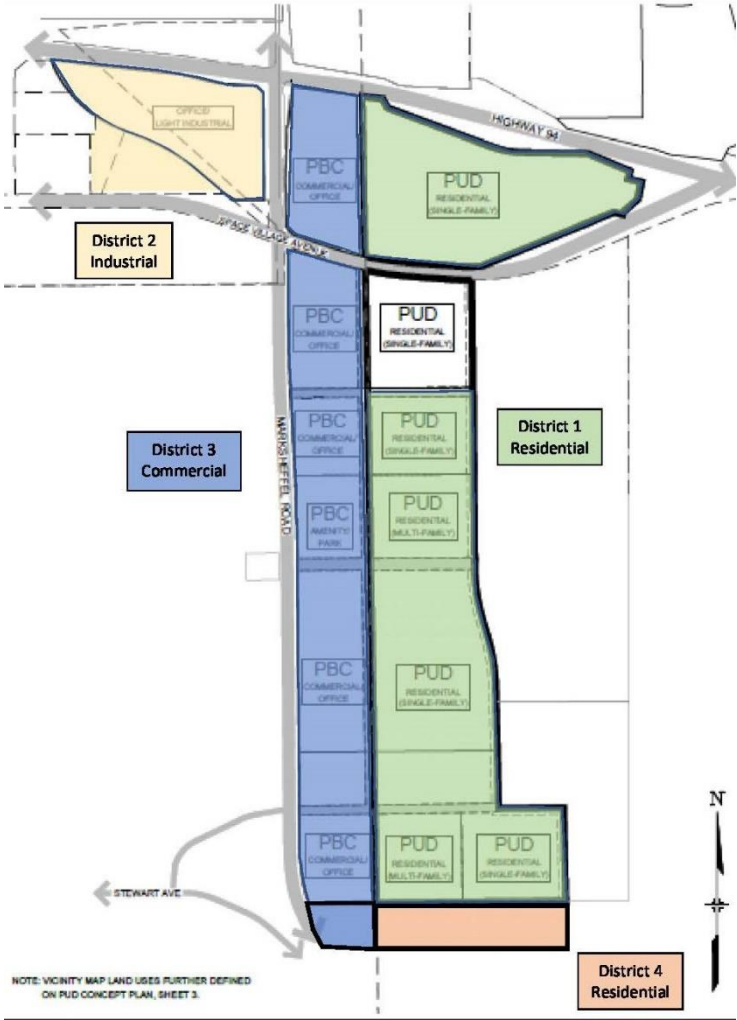


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District Location



District Boundaries



Summary

- Compliant with new Model Service Plan
- Adds new Reagan Ranch Metropolitan District No. 4
 - *Newly acquired southern parcel, anticipated to be residential*
 - *Organizational election anticipated May 2023*
- Multiple District Structure but no Combination of Districts
- Service area consists of 250 acres
- The entire project will consist of single and multi-family residences, commercial, and industrial



Public Improvement Cost Estimates

REGIONAL COSTS	\$41,371,767.50
DISTRICT NO. 1	\$64,722,592.25
DISTRICT NO. 2	\$29,958,650.00
DISTRICT NO. 3	\$30,848,635.00
DISTRICT NO. 4	\$15,919,606.69
TOTAL	\$182,821,251.44



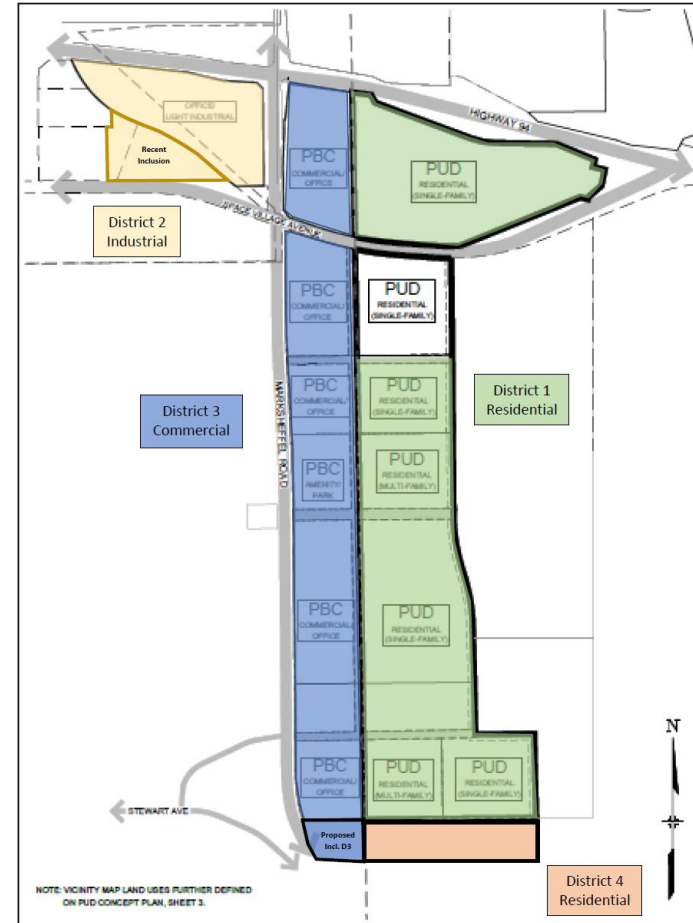
Financial Plan

- 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: **\$121,000,000** (same as original service plan, \$103,110,000 remaining after 2021 bond issuance)
- 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)
 - $\$35,750 \times 0.060 = \mathbf{\$2,145 \text{ taxes owed per year}}$
 - $= \mathbf{\$178.75 \text{ taxes owed each month}}$

DISTRICT TAX BOUNDARIES & SITE PLAN

District Development Summary:

- **District No. 1 – 676 Residential Units**
 - 68 Townhomes
 - 130 Shared Drive Homes
 - 478 SFD Units
- **District No. 2 – 365,400 Square Feet Commercial**
- **District No. 3 – 696,300 Square Feet Retail**
- **District No. 4 – 100 Residential Units**
 - 56 SFD Units
 - 44 SFA Units



DEVELOPMENT SUMMARY PROJECTION – DISTRICT NO. 1 (RESIDENTIAL)



Reagan Ranch Metropolitan District No. 1 - Development Projection Residential								
Statutory Actual Value (2022)	TH	Shared Drive Homes	SFD 36'	SFD ADU 35'	SFD 45'	SFD 50'	SFD 60'	Total Residential
	\$405,000	\$455,000	\$455,000	\$455,000	\$525,000	\$555,000	\$580,000	
2022								
2023								
2024		33	62	12	16	24	11	158
2025	34	33	62	12	16	24	10	191
2026	34	33	62	12	16	24	10	191
2027		31	60	11		24	10	136
2028								
2029								
2030								
Total Units	68	130	246	47	48	96	41	676
Total Statutory Actual Value	\$27,540,000	\$59,150,000	\$111,930,000	\$21,385,000	\$25,200,000	\$53,280,000	\$23,780,000	\$322,265,000

DEVELOPMENT SUMMARY PROJECTION – DISTRICT NO. 2 (COMMERCIAL)



Reagan Ranch Metropolitan District No. 2 - Development Projection		
Commercial		
Statutory Actual Value (2022)	Industrial \$120/ft	Total Commercial
2022		
2023		
2024		
2025		
2026	125,000	125,000
2027	125,000	125,000
2028	115,400	115,400
Total	365,400	365,400
Total Statutory Actual Value	\$43,848,000	\$43,848,000

DEVELOPMENT SUMMARY PROJECTION – DISTRICT NO. 3 (COMMERCIAL)



Reagan Ranch Metropolitan District No. 3 - Development Projection		
Commercial		
Statutory Actual Value (2022)	Retail \$250/ft	Total Commercial
2022		
2023		
2024		
2025		
2026	69,630	69,630
2027	69,630	69,630
2028	69,630	69,630
2029	69,630	69,630
2030	69,630	69,630
2031	69,630	69,630
2032	69,630	69,630
2033	69,630	69,630
2034	69,630	69,630
2035	69,630	69,630
Total	696,300	696,300
Total Statutory Actual Value	\$174,075,000	\$174,075,000

DEVELOPMENT SUMMARY PROJECTION – DISTRICT NO. 4 (RESIDENTIAL)



Reagan Ranch Metropolitan District No. 4 - Development Projection Residential						
Statutory Actual Value (2022)	SFD 36'	SFD 45'	SFD 50'	SFD 60'	Foursquare	Total Residential
	\$455,000	\$525,000	\$555,000	\$580,000	\$455,000	
2022						
2023						
2024						
2025						
2026						
2027	15	11	18	12	22	78
2028					22	22
2029						
2030						
Total Units	15	11	18	12	44	100
Total Statutory Actual Value	\$6,825,000	\$5,775,000	\$9,990,000	\$6,960,000	\$20,020,000	\$49,570,000

BOND STRUCTURE & PARAMETERS



Bond Financing Summary:

- The District issued its first tranche of bonds in 2021, which are secured by ad-valorem property tax revenues from District No. 1 (33.398 mills) and District No. 2 (30.000 mills), in an amount of \$17,890,000.
- The Series 2021 Bonds were issued as a senior-lien, cash-flow instrument with a stated final maturity in 2051.
- The District is currently contemplating issuing a second 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 the balance of the 50 mill cap on all commercial property (Districts 2 & 3) and 50 mills on all residential property (Districts 1 & 4).
- The District anticipates to issue an additional Series of Bonds in 2031, which will be issued with an investment-grade rating and a municipal bond insurance policy. The Series 2031 Bonds will refund both the Series 2021 Bonds and the Series 2023 Bonds and provide additional reimbursements for certified public infrastructure costs.
- The Series 2021, Series 2023, and Series 2031 Bond transactions are summarized below.

Limited Tax General Obligation Bonds, Series 2021, 2023, and 2031

	Series 2021	Series 2023	Series 2031	Total
Tax Status	Tax-Exempt	Tax-Exempt	Tax-Exempt	Tax-Exempt
Delivery Date	12/1/2021	12/1/2023	12/1/2031	
Par Amount (\$)	17,890,000	12,810,000	113,320,000	144,020,000
Project Fund (\$)	17,276,512	9,193,946	79,961,415	106,431,873
Capitalized Interest Fund (\$)	-	1,921,500	1,133,200	3,054,700
Debt Service Reserve Funds	-	1,138,354	-	1,138,354
Cost of Issuance (\$)	613,488	556,200	816,600	1,986,288
Debt Service Mill Levy	33.398 (District No. 1) 30.000 (District No. 2)	16.602 (District No. 1) 20.000 District No. 2) 50.000 (District No. 3 & 4)	50.000 (Districts 1-4)	
Interest Rate	5.375%	5.000%	4.000%	
Final Maturity	12/1/2051	12/1/2053	12/1/2061	
Optional Redemption	12/1/2026 at 103%, declining 1% per year	12/1/2028 at 103%, declining 1% per year	12/1/2041 @ 100%	