

***THIRD AMENDMENT TO THE SERVICE PLAN  
FINANCE PLAN - SERIES 2020A-1 & 2020 A-2/B-2 BONDS  
COLORADO CROSSING METROPOLITAN DISTRICT NOS. 1, 2 & 3***

***OCTOBER 26, 2020 - CITY COUNCIL STUDY SESSION***



Otis Moore, III Principal  
Westside Investment Partners, Inc.  
(303) 984-9800  
omooore@westsideinv.com



Megan Becher, Esq.  
McGeady Becher, P.C.  
(303)592-4380  
mbecher@specialdistrictlaw.com



Laci Knowles  
D.A. Davidson & Co.  
(303)764-5764  
lknowles@dadco.com

# ***REQUEST***

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- **Approve Third Amendment to Service Plan:**
  - Increase Debt Limit from \$35 Million to \$50 Million
- **Approve Bond Finance Plan to Authorize Issuance of:**
  - Series 2020A-1 Refunding Bonds
  - Series 2020A-2 and Series 2020B-2 Bonds

# ***DEVELOPMENT UPDATE***

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- ◉ Existing Buildings
- ◉ Office Building update
- ◉ In-N-Out Burger
- ◉ Lokal Homes
- ◉ Icon Cinema
- ◉ Completed Infrastructure

# ***EXISTING BUILDINGS***

## ○ Garage Completed



# ***BUILDING F & A***



# ***INO RETAIL PARCEL***



# ***INO FACILITY PARCEL***



# ***LOKAL HOMES***





# *ICON CINEMA*



# ***CHANGES SINCE ORIGINAL SERVICE PLAN IN 2006***

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- **Cost Escalation**
- **Changed Infrastructure Plans**
- **Changed Development Assumptions**
- **Financing Costs**
- **Original Cost Estimate:**
  - **\$35,000,000**
- **Current Cost Estimate:**
  - **\$44,700,000**



# CURRENT & FUTURE INFRASTRUCTURE

PUBLIC IMPROVEMENTS	STREETS & DRAINAGE	WATER INFRASTRUCTURE	WASTEWATER INFRASTRUCTURE	TRAFFIC SAFETY CONTROL	PARK & RECREATION	TOTAL
<b>PUBLIC INFRASTRUCTURE 2007 - 2017</b>	\$ 12,900,000	\$ 900,000	\$ 700,000	\$ -	\$ -	\$ 14,500,000
ROADWAYS & UTILITIES	\$ 4,800,000	\$ 900,000	\$ 700,000	\$ -	\$ -	
PARKING GARAGE	\$ 8,100,000	\$ -	\$ -	\$ -	\$ -	
<b>PUBLIC INFRASTRUCTURE 2017 - 2020</b>	\$ 10,600,000	\$ 600,000	\$ 400,000	\$ 800,000	\$ 200,000	\$ 12,600,000
TRAFFIC SIGNALS	\$ -	\$ -	\$ -	\$ 800,000	\$ -	
MARKET ROADS & UTILITIES	\$ 1,900,000	\$ 400,000	\$ 100,000	\$ -	\$ 200,000	
PARKING GARAGE	\$ 7,100,000	\$ -	\$ -	\$ -	\$ -	
SOUTH ROADS, ROADS & UTILITIES	\$ 1,300,000	\$ 200,000	\$ 300,000	\$ -	\$ -	
ELKHORN DETENTION FACILITY	\$ 300,000	\$ -	\$ -	\$ -	\$ -	
<b>FUTURE PUBLIC INFRASTRUCTURE</b>	\$ 3,800,000	\$ 700,000	\$ 500,000	\$ 2,600,000	\$ 1,700,000	\$ 9,300,000
PLANNING AREA B ROADS & UTILITIES	\$ 1,900,000	\$ 200,000	\$ 100,000	\$ -	\$ 400,000	
PLANNING AREA F ROADS & UTILITIES	\$ 800,000	\$ 100,000	\$ 200,000	\$ -	\$ 400,000	
COMPLETION OF SPRING WATER	\$ 1,100,000	\$ 300,000	\$ 200,000	\$ -	\$ 300,000	
COMPLETION OF BLOCK 5	\$ -	\$ -	\$ -	\$ -	\$ 700,000	
TRAFFIC IMPROVEMENTS & SIGNALS	\$ -	\$ -	\$ -	\$ 2,600,000	\$ -	
<b>FIELD OF DREAMS AREA PUBLIC INFRASTRUCTURE</b>	\$ 3,800,000	\$ 700,000	\$ 300,000	\$ -	\$ 3,500,000	\$ 8,300,000
FIELD OF DREAMS AREA ROADS & UTILITIES	\$ 3,800,000	\$ 700,000	\$ 300,000	\$ -	\$ 3,500,000	
8 ACRE PARK	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL</b>	\$ 31,100,000	\$ 2,900,000	\$ 1,900,000	\$ 3,400,000	\$ 5,400,000	\$ 44,700,000

# COST ESCALATION

State of Colorado

Colorado Construction Cost Index Report

Colorado Department of Transportation

<https://www.codot.gov/business/eema/construction-cost-index>

	Q2-2006	Q1-2020	Total Increase
Earthwork (\$/CY)	\$ 10.68	\$ 20.76	94%
Hot Mix Asphalt (\$/TON)	\$ 58.85	\$ 93.02	58%
Concrete Pavement (\$/SY)	\$ 28.40	\$ 62.82	121%
Structural Concrete (\$/CY)	\$ 426.20	\$ 805.97	89%
Reinforcing Steel (\$/LB)	\$ 1.11	\$ 1.22	10%
Roadway Cost per 1/4 Mile	\$ 438,052	\$ 846,865	93%

Note: Roadway Cost excludes landscaping, lighting and utilities that are not covered by the Colorado Construction Cost Index Report

# ***PROPOSED 2020 BONDS***

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## ○ Series 2020A-1 Refunding Bonds

- Approximately \$23.4M Principal
- Estimated Rate 5.75%
- Pure Refunding of 2017 Bonds

## ○ Series 2020A-2

- Approximately \$21.1M Principal
- Estimated Rate 5.875%

## ○ Series 2020B-2

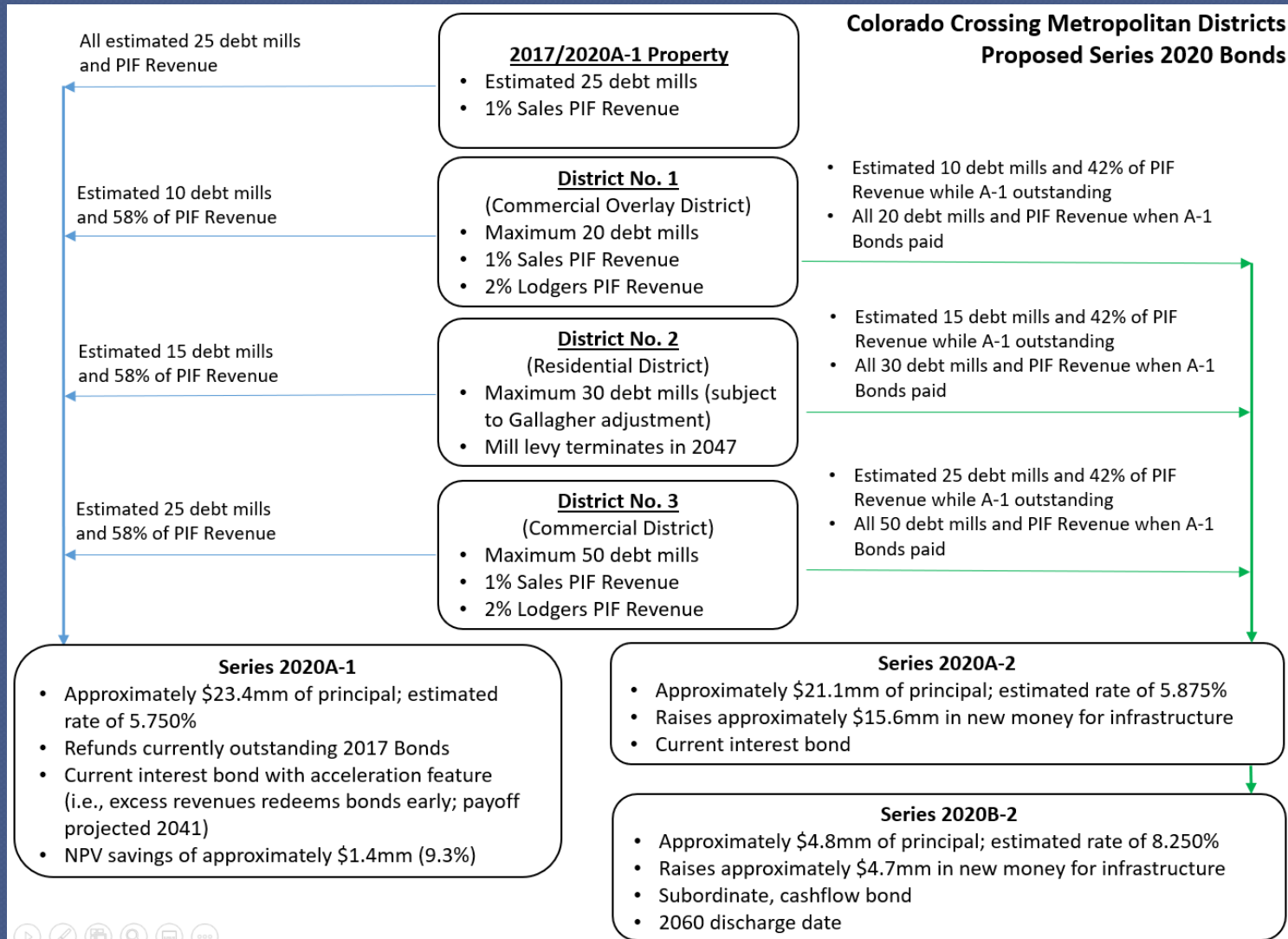
- Approximately \$4.8M Principal
- Estimated Rate 8.250%

# ***INO PROJECT***

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- To incentivize unique opportunity, as a result of exclusion from district boundaries, INO is only responsible for repayment of 2017 bonds and refundings thereof
- Series 2020A-1 Bonds being issued separately to recognize this
- Debt Service Mills and PIF from INO will be pledged to 2020A-1 Bonds
- INO still responsible for O&M contributions

# PLEDGED REVENUES





# OVERLAP OF BOUNDARIES AND MILL LEVY CAPS

## Colorado Crossing Metropolitan Districts Proposed Series 2020 Bonds

**District No. 1:** Maximum 20 debt mills

- Commercial property only
- Overlaps commercial portions of District No. 2 (so commercial levy across Districts equals 50)

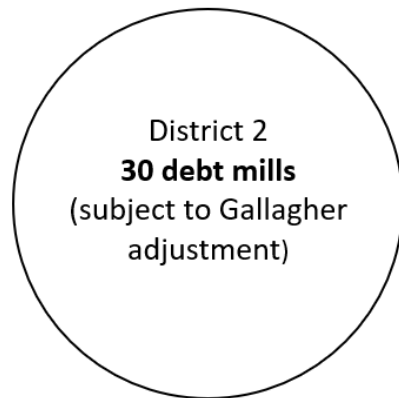
**District No. 2:** Maximum 30 debt mills (subject to Gallagher adjustment)

- Contains residential property
- Contains commercial property overlapped by District No. 1

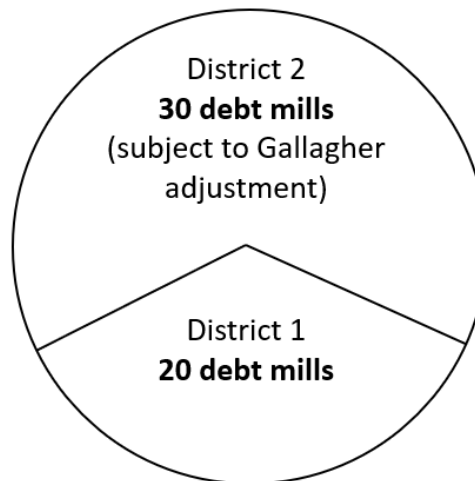
**District No. 3:** Maximum 50 debt mills

- Contains commercial property only

Residential Property:  
Total 30 Debt Mills



Commercial Property:  
Total 50 Debt Mills

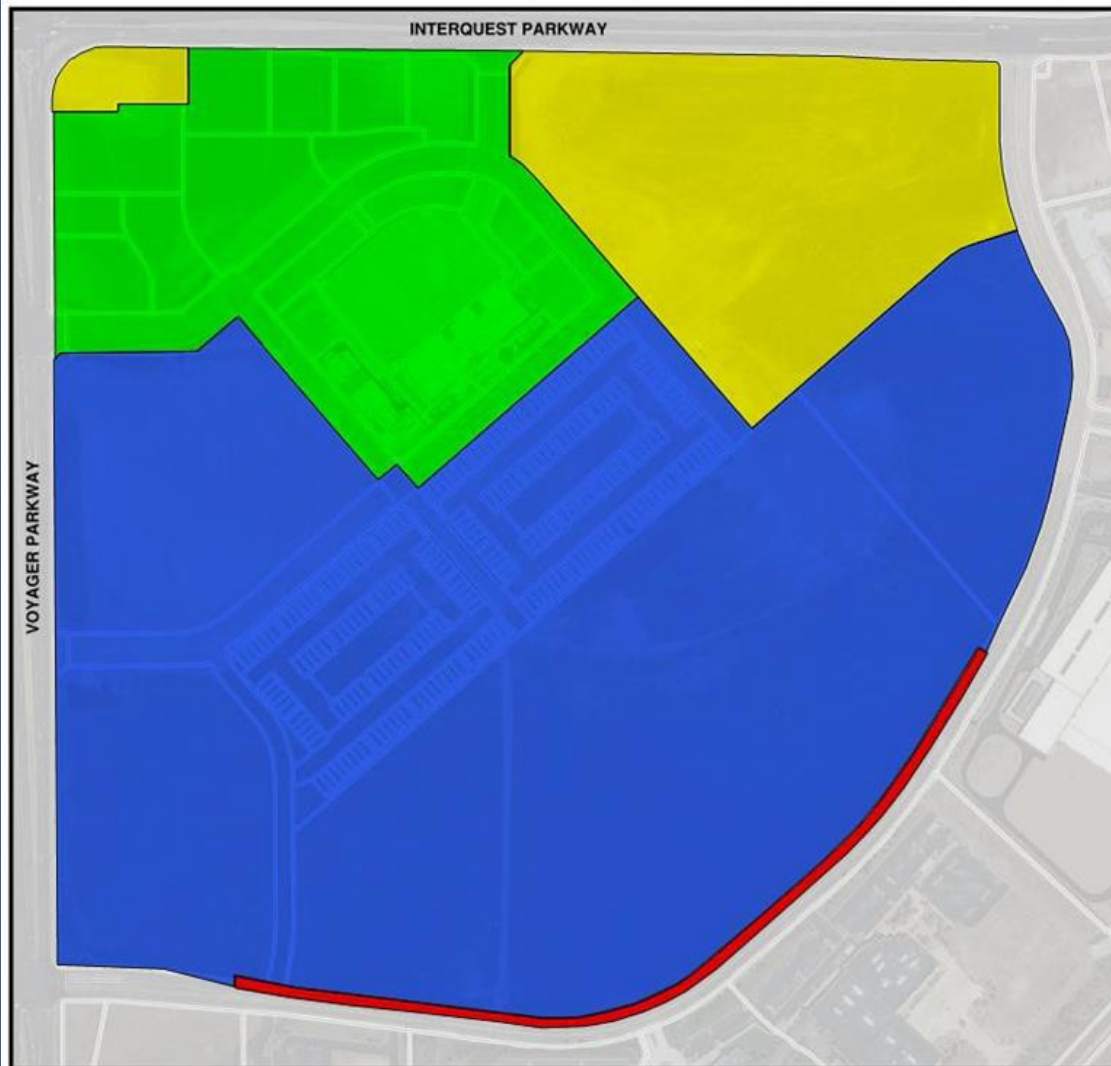






# ***MILL LEVY CAPS***

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- Structure of 2020 Bonds is SAME as 2017 Bonds
- In accordance with Service Plan:
  - Commercial property mills limited to 50 mills, adjusted for Gallagher
  - Residential property mills limited to 30 mills, adjusted for Gallagher
  - Residential mills limited to imposition for 40 years

# CURRENT DISTRICT BOUNDARIES



-  2017/2020A-1 Property
-  District No. 1
-  District No. 2
-  District No. 3

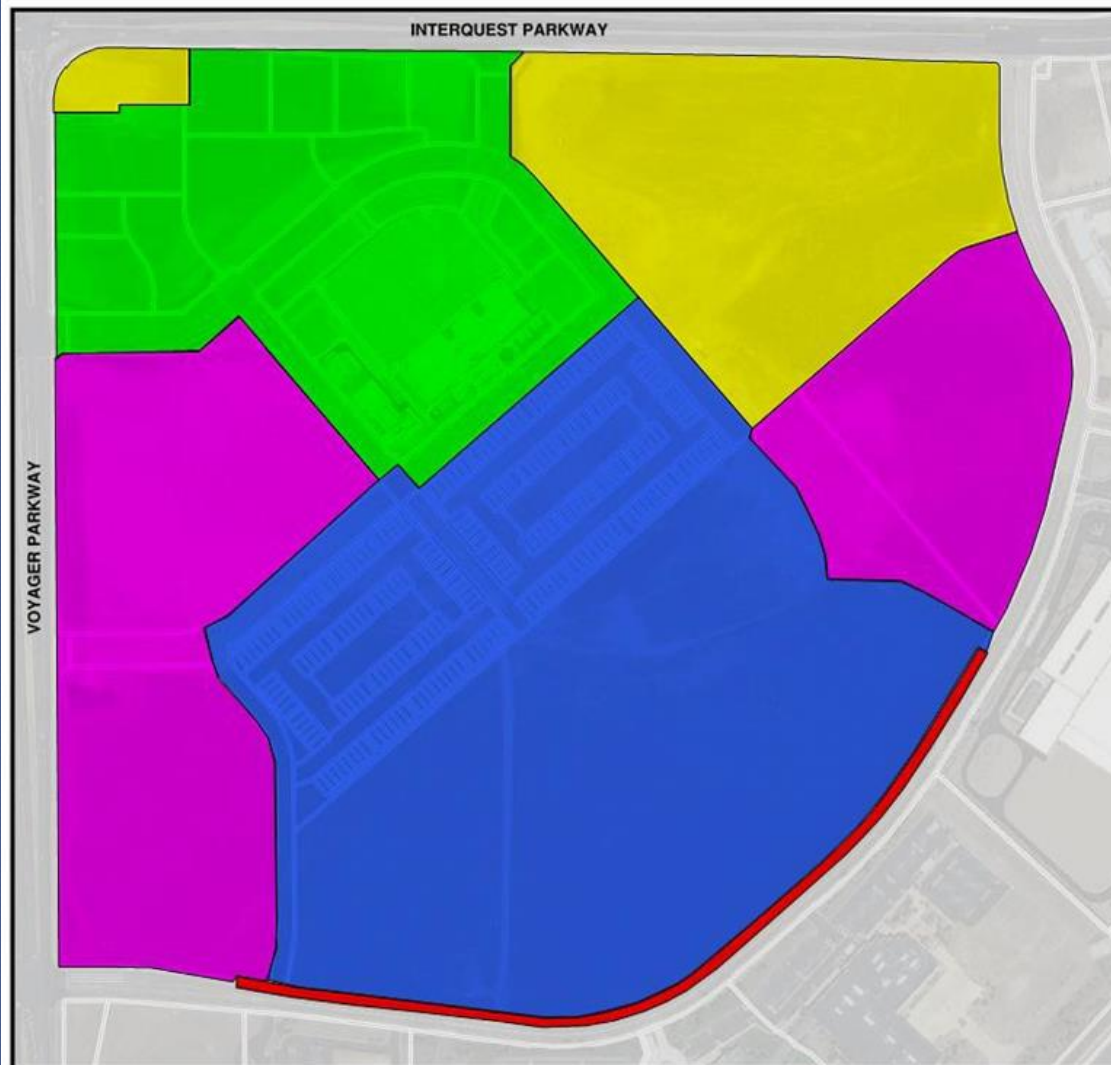
**2017/2020A-1 Property**  
Max 50 debt mills. Responsible for 2017 Bonds and any refunding thereof.





**District No. 1 (Commercial)**  
Max 20 debt mills

**District No. 2 (Residential)**  
Max 30 debt mills, subject to Gallagher adjustment

**District No. 3 (Commercial)**  
Max 50 debt mills

# PROJECTED DISTRICT BOUNDARIES



-  2017/2020A-1 Property
-  District No. 1
-  District No. 2
-  District No. 3
-  District Nos. 1 & 2

**2017/2020A-1 Property**  
Max 50 debt mills. Responsible for 2020 A1 Bonds.

**District No. 1 (Commercial)**  
Max 20 debt mills

**District No. 2 (Residential)**  
Max 30 debt mills, subject to Gallagher adjustment

**District No. 3 (Commercial)**  
Max 50 debt mills

**District Nos. 1 & 2 (Commercial)**  
Max 20 debt mills (from Dist. 1)  
Max 30 debt mills, subject to Gallagher adjustment (from Dist. 2)  
Total Max 50 debt mills, subject to Gallagher adjustment

# DISTRICT REQUEST

Approve Third Amendment to Service Plan  
to Approve Increased Debt Limit based upon  
Increased Costs of \$44.7 Million

Debt Limitation Analysis - \$50,000,000 (Service Plan Amendment)		
Requested Debt Limit	\$	50,000,000.00
Less 2017 Bond Principal	\$	(14,781,000.00)
Less 2020A-2 Bond Principal (Estimated)*	\$	(21,140,000.00)
Less 2020B-2 Bond Principal (Estimated)*	\$	(4,818,000.00)
Remaining Debt Limit (Estimated)*	\$	9,261,000.00

*\*Amounts are preliminary estimates based on current market conditions, etc., and are subject to change based on actual results at pricing. In no event will the \$50mm debt limit be exceeded for new money bonds, as provided in the Service Plan.*

# *DISTRICT REQUEST*

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- Approve Finance Plan to authorize the issuance of Series 2020 A-1, A-2 and B-2 Bonds
- Amounts are estimated and may be more or less depending upon final pricing terms
- Bonds will be issued in compliance with maximum debt authority as set forth in the Service Plan, as amended
- Issuance will occur within one year of approval, or Districts must return for further authorization

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◎ QUESTIONS??