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File No. 5504994.2300

September 30, 2022

Carl Schueler
Comprehensive Planning Manager
City Administration Building
30 S. Nevada Avenue, Suite 105
Colorado Springs, Colorado 80903

Re: Upper Cottonwood Creek Metropolitan District No. 5: Amended and Restated Service Plan

Dear Mr. Schueler:

This office represents the Upper Cottonwood Creek Metropolitan District No. 5 (the “District”). The Colorado Springs City Council approved the Service Plan for the Upper Cottonwood Creek Metropolitan District Nos. 2-5 on March 28, 2006, the Amendment to the Service Plan for the Upper Cottonwood Creek Metropolitan District Nos. 2-5 on March 22, 2016, and a Second Amendment to the Service Plan for the Upper Cottonwood Creek Metropolitan District Nos. 2-5 on October 26, 2021 (together, the “Original Service Plan”). Subsequent to the approval of the Original Service Plan, the Colorado Springs City Council adopted a new Special District Policy and Model Service Plan on August 9, 2022.

The District’s Board of Directors determined it is in the best interests of its future taxpayers, residents, and property owners to conform to the policies the City has implemented through its adoption of the new Special District Policy and Model Service Plan. Accordingly, the District requests the enclosed Amended and Restated Service Plan, which is substantially similar to the City’s new Model Service Plan, replace and supersede the Original Service Plan in its entirety solely as it pertains to the District. The Original Service Plan will continue to govern the Upper Cottonwood Creek Metropolitan District Nos. 2-4. The property within the District is largely undeveloped, unlike the other Upper Cottonwood Creek Districts, which are either completely or almost completely built out and which have already issued debt, and therefore would receive a greater benefit by adopting the new Model Special District Policy and Model Service Plan than the other Upper Cottonwood Creek Districts.

The Amended and Restated Service Plan reflects the current boundaries of the District, which have been adjusted following the District’s formation in accordance with Section 32-1-101, *et seq.*, of the Colorado Revised Statutes. The District’s boundaries originally included approximately 25.4 acres, whereas the current boundaries include approximately 413 acres. The

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Amended and Restated Service Plan also includes updated cost estimates for the public improvements needed to serve the property within the District as well as a corresponding financial plan to demonstrate the District's ability to finance such public improvements. As a result of the changes to the District's boundaries and increases to the costs of the public improvements, the District is requesting to increase its total debt limit to \$72,000,000.

Enclosed, please find copies of the following:

- (a) Proposed Amended and Restated Service Plan;
- (b) Redline Comparison of the Model Service Plan; and
- (c) Copy of the District's Original Service Plan.

A fee in the amount of \$1,000 will be delivered to the City Clerk's office.

The District requests that the enclosed Amended and Restated Service Plan and supporting documentation be presented to the City Council at the next available meeting for consideration and further action. Please do not hesitate to contact this office if you have any questions or need anything further.

Best regards,

SPENCER FANE LLP

/s/ Nicole Peykov
Nicole Peykov

Enclosures