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February 3, 2023

**VIA E-MAIL**

City Clerk's Office  
P.O. Box 1575  
30 S. Nevada Ave., Suite 101  
Colorado Springs, Colorado 80901  
Cityclerk@coloradosprings.gov

**Re: Transmittal Letter - (Proposed) Creekwalk Metropolitan District**

Dear City Clerk:

This firm serves as legal counsel to The Equity Group LLC ("Petitioner"). On behalf of the Petitioner, enclosed are the formal submittal materials for the (Proposed) Creekwalk Metropolitan District (the "District") pursuant to the "Special District Act," Section 32-1-101, *et seq.*, of the Colorado Revised Statutes. The enclosed materials include the Service Plan as well as a redline comparison to the City's Model Service Plan. A check in the amount of \$1,100 for the District application fee will be delivered to your office.

The anticipated development will ultimately consist of approximately 4.6 acres of land located south of E. Ramona Avenue, north of E. St. Elmo Ave, east of S. Cascade Avenue, and west of S. Nevada Avenue in Colorado Springs. The anticipated development will be residential and is anticipated to include approximately 378 multi-family units (the "Project"). The initial boundaries of the District consist of 1.342 acres, with the remaining parcels to be included upon the following: (i) the exclusion of the parcels that are within the boundaries of the Creekwalk Marketplace Business Improvement District in accordance with statute once the parcels are developed as residential and prior to the District issuing bonds; and (ii) the exclusion of the parcels that are within the boundaries of Canyon Creek Metropolitan District No. 2 and determination of how the existing URA bonds will be refunded.

The Project will require substantial investment in public infrastructure, including but not limited to, storm drainage and detention facilities; water improvements; wastewater improvements; Cheyenne Creek Channel improvements, including retaining walls, landscaping, and a pedestrian bridge; and St. Elmo Bridge and St. Elmo Avenue improvements.

February 3, 2023  
Page 2

The proposed Service Plan does not deviate from the Model Service Plan. The Petitioner requests the City Council approve the proposed Service Plan in order to allow for the project infrastructure to be eligible for tax-exempt financing. The District will also provide a mechanism to ensure that certain project infrastructure is constructed and maintained at a level commensurate with other first-class residential development located within the City of Colorado Springs.

The Service Plan establishes the four criteria required by Section 32-1-203(2), C.R.S., and Section 122-35 of the City Code. Below is a summary of how the proposed formation of the District and the Service Plan meet the criteria.

- A. There is sufficient existing and projected need for organized service in the area to be serviced by the District.

The purpose of the District is to finance and construct certain public improvements and to provide other additional services necessary to support the Project. The proposed improvements and services are not available to the community through the City or other existing quasi-municipal corporations, including special districts or business improvement districts, within a reasonable time and on a comparable basis.

- B. The existing service in the area to be served by the District is inadequate for present and projected needs.

The proposed improvements and services are not and will not be available to the Project through the City or other existing quasi-municipal corporations, including special districts or business improvement districts, within a reasonable time and on a comparable basis.

- C. The District is capable of providing economical and sufficient service to the area within their proposed boundaries.

The formation of the District will ensure that the public improvements and other services are sufficient and constructed within a reasonable period of time for the benefit of the property owners, residents, and taxpayers located in the community. In addition, the public financing tools available to the District will help lower the costs of constructing the public improvements and facilities.

- D. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

The estimated costs of the public improvements and facilities to be constructed, installed, and/or acquired by the District are set forth in the Service Plan. The District will be limited



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February 3, 2023  
Page 3

to issuing debt within the confines of the Service Plan and will be limited to the amount the District can reasonably pay from the revenue derived from the debt service mill levy and other legally available revenue.

The Petitioner requests that the proposed Service Plan be presented to the City Council for consideration and further action at the next available meeting. Please do not hesitate to contact us if you have any questions. Thank you for your consideration.

Best regards,

*/s/ Nicole Peykov*

Nicole Peykov

cc: Carl Schueler

Enclosures