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File No. 5113865-0002

March 15, 2022

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

Re: Old Ranch Metropolitan District– Limited Tax Special Obligation Refunding
Bond, Series 2022

Dear Mr. Schueler:

This office represents the Old Ranch Metropolitan District (the “District”). The District would like to issue a refunding bond in April of 2022 and is seeking approval from the Colorado Springs City Council.

On behalf of the District, please find enclosed copies of: (a) the draft resolution and form of bond for the limited tax special obligation refunding bond, Series 2022 (the “District Bond”); (b) the financing plan for the District Bond and a refinancing summary; (c) a certification of RBC Capital Markets, LLC, an External Financial Advisor, regarding the fairness and feasibility of the interest rate and the structure of the District Bond; (d) a presentation prepared by RBC Capital Markets, LLC; (e) a draft opinion letter from Mr. Arnold Kaplan at Spencer Fane LLP as bond counsel confirming that the proposed bond issuance is consistent with applicable law and regulations; and (f) a draft opinion letter from Mr. Russell Dykstra at Spencer Fane LLP as District counsel confirming that the proposed bond issuance is consistent with the Amended and Restated Service Plan for Old Ranch Metropolitan District and Upper Cottonwood Creek Metropolitan District (the “Service Plan”), the City of Colorado Springs’s current policy relating to special districts, and applicable law. The application fee in the amount of \$1,100 was previously delivered to the City Clerk with the submittal for Upper Cottonwood Creek Metropolitan District, which is the same submittal as this.

The District issued its Special Revenue Convertible Capital Appreciation Bonds, Series 2007A, in the initial amount of \$6,385,000 (the “Series 2007A Bonds”) and its Taxable Subordinate Special Revenue Bonds, Series 2007B, in the aggregate principal amount of

\$1,300,000 (the “Series 2007B Bonds”). Pursuant to a Capital Pledge Agreement, dated as of February 20, 2007, between the District and Upper Cottonwood Creek Metropolitan District (the “Taxing District”), the Taxing District agreed to pledge a limited debt service mill levy not exceeding 50 mills to the Series 2007A Bonds and Series 2007B Bonds. The District Bond would current refund the Series 2007A Bonds and partially current refund the Series 2007B Bonds.

The anticipated interest rate will be 6.0% on the District Bond and the bond amount will not exceed \$7,680,000. The District Bond will be repaid by a mill levy of approximately 21.118 mills per year, subject to Gallagher adjustments. The District Bond will finally mature in 2046.

The District has constructed certain public improvements, as provided for in the Service Plan, and will use the funds from the District Bonds to finance such public improvements. The public improvements the District intends to finance with the District Bonds include street, water, sewer, and park and recreation improvements. RBC Capital Markets, LLC will privately place the District Bonds.

At your earliest convenience, please have City Council review the enclosed documents to ensure that the District Bond is being issued in compliance with the Special District Policy. My understanding is that these items are scheduled for the Budget Committee meeting on March 22, 2022. If you have any questions, or need anything further, please do not hesitate to contact this office.

Sincerely,

/s/ Russell W. Dykstra

Russell W. Dykstra

Enclosures