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June 16, 2021

VIA E-MAIL

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

Re: Transmittal Letter - (Proposed) Gold Hill North Metropolitan District Nos. 1 & 2 and Gold Hill North Business Improvement District

Dear City Clerk:

This firm serves as legal counsel to AIPA Colorado Investments, LLC ("Petitioner"). On behalf of the Petitioner, enclosed are the formal submittal materials for the (Proposed) Gold Hill North Metropolitan District Nos. 1 & 2 (the "Metro Districts") and the (Proposed) Gold Hill North Business Improvement District (the "BID", together with the Metro Districts, the "Districts") pursuant to the "Special District Act," Section 32-1-101, et seq., of the Colorado Revised Statutes and pursuant to the "Business Improvement District Act," Section 31-25-1201, et seq., of the Colorado Revised Statutes. The enclosed materials include the Colorado Springs Transmittal Form, clean and redline copies of the Service Plan for the proposed Metro Districts, clean and redline copies of the Operating Plan and Budget for the proposed BID, and the Petition for Organization for the proposed BID. A check in the amount of \$1,100 for the Metro District application fee and a check in the amount of \$1,200 for the BID application fee will be delivered to your office.

The anticipated development includes single family detached homes, single family attached homes, apartments, commercial, and retail uses (the "Project"). In the end, the residential portion of the project will be located within the boundaries of the Metro Districts and the commercial portion of the project will be located within the boundaries of the BID. The Project will require substantial investment in project infrastructure, including but not limited to water and sanitation system improvements, stormwater and drainage improvements, street and streetscape improvements, traffic safety control facilities, park and recreation improvements, common area facilities, and landscaping.

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The proposed Service Plan does not deviate from the Model Plan and the proposed Operating Plan does not deviate from the Model Operating Plan. The Petitioner requests the City Council approve the proposed Service Plan and proposed Operating Plan in order to allow for the project infrastructure to be eligible for tax-exempt financing. The Districts will also provide a mechanism to ensure that certain project infrastructure is constructed and maintained at a level commensurate with other first-class residential and commercial 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, as well as the five additional discretionary factors pursuant to Section 32-1-203(2), C.R.S.; and the Operating Plan establishes the criteria required by Section 31-12-1207, C.R.S. Below is a summary of how the proposed formation of the Districts and the Service Plan and Operating Plan meet the criteria.

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

The purpose of the Districts 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 Districts 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 Districts are capable of providing economical and sufficient service to the area within their proposed boundaries.

The formation of the Districts 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 Districts will help lower the costs of constructing the public improvements and facilities.



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- D. The area to be included in the Districts 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 Districts are set forth in the Service Plan. The Districts will be limited to issuing debt within the confines of the Service Plan and the Operating Plan, and will be limited to the amount the Districts can reasonably pay from the revenue derived from the debt service mill levy and other legally available revenue.

Petitioner requests that the proposed Service Plan and proposed Operating 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 Finco

Nicole Finco

cc: Carl Schueler

Enclosures