

FIRST AMENDMENT
TO
CONSOLIDATED SERVICE PLAN
FOR
HANCOCK METROPOLITAN DISTRICT NOS. 1 & 2
CITY OF COLORADO SPRINGS, COLORADO

Prepared by:

WBA, PC
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122

Approval Date: _____, 2025

I. INTRODUCTION

On May 11, 2021, the City Council (the “City Council”) of the City of Colorado Springs (the “City”), County of El Paso, State of Colorado issued Resolution No. 67-21, approving the Consolidated Service Plan (the “Original Service Plan”) for Hancock Metropolitan District Nos. 1 & 2 (individually, “**District No. 1**” and “**District No. 2**” and together, the “**Districts**”). After an election held on November 2, 2021, the El Paso County District Court issued Orders and Decrees, organizing the Districts on January 3, 2022.

On July 25, 2023, the City Council issued Resolution No. 97-23, approving the Amended and Restated Consolidated Service Plan for Hancock Metropolitan District Nos. 1 & 2 (the “Service Plan”). The Service Plan amends and restates the Original Service Plan to conform with the Colorado Springs Model Multi-District Service Plan adopted in 2022.

This First Amendment to the Service Plan proposes to amend the following provisions:

- (1) Section V.G.1. of the Service Plan to provide that the Maximum Debt Mill Levy may be subject to the Mill Levy Adjustment, as defined in the Service Plan;
- (2) Section V.A.12 of the Service Plan to clarify that the Districts are exempt from the requirement that the City review “proposed Debt instruments to ensure compliance with the Service Plan and all applicable laws” because the City Council previously authorized the Districts to issue Debt without City Council’s approval under Section V.A.2 of the Service Plan (and the City Council approved the Service Plan by a vote of at least two-thirds of the entire City Council); and
- (3) Section V.F. of the Service Plan to clarify that denominations greater than \$100,000 may also be used (as larger denominations are consistent with the intent of such section) and to provide that bonds or other debt instruments may also be sold to “financial institutions or institutional investors” (as defined in Title 32) in that this type of investor is in accord with the limitation of sales to “accredited investors” as currently provided in such Section V.F.

II. AMENDMENT

A. Section V.G.1 of the Service Plan is hereby amended and restated in its entirety to read as follows:

1. The Maximum Debt Mill Levy certified for any District or Combination of Districts shall be limited to no more than 50 mills. This levy may be subject to upward or downward adjustments, addressing any Mill Levy Adjustment, tax credit, cut or abatement occurring after, but not before July 12, 2022.

B. Section V.A.12 of the Service Plan is hereby amended and restated in its entirety to read as follows:

12. Council Debt Authorization Limitation.

The Debt issued by these Districts shall be subject to the approval of the City Council, concurrent with the time of issuance, unless previously authorized under Section V.A.2. If the Debt to be issued was not previously authorized under Section V.A.2, the City Council shall review the proposed Debt instruments to ensure compliance with the Service Plan and all applicable laws.

- C. Section V.F of the Service Plan is hereby amended and restated in its entirety to read as follows:

All District bonds or other debt instruments, if not rated as investment grade, must be issued in minimum denominations of \$100,000 or greater and sold only to: accredited investors (as defined in rule 501(a) promulgated under the Securities Act of 1933), financial institutions or institutional investors (as defined in Section 32-1-103(6.5), C.R.S.), or the developer(s) of property within the District.

III. EFFECT OF FIRST AMENDMENT; EFFECTIVE DATE

Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Service Plan. To the extent there are any inconsistencies between this First Amendment and the Service Plan, this First Amendment shall control. This First Amendment shall be effective on the date of the effective date of the City approving this First Amendment.