



TOWN OF ERIE

Community Development Department – Planning Division
645 Holbrook Street – PO Box 750 – Erie, CO 80516
Tel: 303.926.2770 – Fax: 303.926.2706 – Web: www.erieco.gov

LAND USE APPLICATION

Please fill in this form completely. Incomplete applications will not be processed.

STAFF USE ONLY		
FILE NAME:	Vista Ridge Metro District Service Plan Amend.	
FILE NO:	MDA-006 811-2016	DATE SUBMITTED: 9-1-16
		FEES PAID: 1,000

PROJECT/BUSINESS NAME: Vista Ridge Metropolitan District (the "District")

PROJECT ADDRESS:

PROJECT DESCRIPTION: Amendment to the District's Service Plan

LEGAL DESCRIPTION (attach legal description if Metes & Bounds)

Subdivision Name: Vista Ridge

Filing #: NA Lot #: NA Block #: NA Section: 32 and 33 Township: 1N Range: 68W

OWNER (attach separate sheets if multiple)

Name/Company: Vista Ridge Metropolitan District

Contact Person: Michael Lund

Address: 141 Union Blvd., Suite 150

City/State/Zip: Lakewood, CO 80228

Phone: 303-987-0835 Fax: 303-987-2032

E-mail: ljohnson@sdmsl.com

AUTHORIZED REPRESENTATIVE

Company/Firm: Special District Management Services, Inc.

Contact Person: Lisa Johnson, District Manager

Address: 141 Union Blvd., Suite 150

City/State/Zip: Lakewood, CO 80228

Phone: 303-987-0835 Fax: 303-987-2032

E-mail: ljohnson@sdmsl.com

MINERAL RIGHTS OWNER (attach separate sheets if multiple)

Name/Company: NA

Address:

City/State/Zip:

MINERAL LEASE HOLDER (attach separate sheets if multiple)

Name/Company: NA

Address:

City/State/Zip:

LAND-USE & SUMMARY INFORMATION

Present Zoning: PD

Proposed Zoning: NA

Gross Acreage: NA

Gross Site Density (du/ac): NA

Lots/Units Proposed: NA

Gross Floor Area: NA

SERVICE PROVIDERS

Electric: United Power

Metro District: Vista Ridge Metropolitan District

Water (if other than Town):

Gas: Source Gas

Fire District: Mountain View Fire Protection District

Sewer (if other than Town):

PAGE TWO MUST BE SIGNED AND NOTARIZED

DEVELOPMENT REVIEW FEES			
ANNEXATION		SUBDIVISION	
<input type="checkbox"/> Major (10+ acres)	\$ 4000.00	<input type="checkbox"/> Sketch Plan	\$ 1000.00 + 10.00 per lot
<input type="checkbox"/> Minor (less than 10 acres)	\$ 2000.00	<input type="checkbox"/> Preliminary Plat	\$ 2000.00 + 40.00 per lot
<input type="checkbox"/> Deannexation	\$ 1000.00	<input type="checkbox"/> Final Plat	\$ 2000.00 + 20.00 per lot
COMPREHENSIVE PLAN AMENDMENT		<input type="checkbox"/> Minor Subdivision Plat	\$ 2000.00
<input type="checkbox"/> Major	\$ 3000.00	<input type="checkbox"/> Minor Amendment Plat	\$ 1000.00 + 10.00 per lot
<input type="checkbox"/> Minor	\$ 1200.00	<input type="checkbox"/> Road Vacation (constructed)	\$ 1000.00
ZONING/REZONING		<input type="checkbox"/> Road Vacation (paper)	\$ 100.00
<input type="checkbox"/> Rezoning	\$ 1700.00 + 10.00 per acre	SITE PLAN	
<input type="checkbox"/> PUD Rezoning	\$ 1700.00 + 10.00 per acre	<input type="checkbox"/> Residential	\$ 1400.00 + 10.00 per unit
<input type="checkbox"/> PUD Amendment	\$ 1700.00 + 10.00 per acre	<input type="checkbox"/> Non-Resl. (>10,000 sq. ft.)	\$ 2200.00
<input type="checkbox"/> Major PD Amendment	\$ 3700.00 + 10.00 per acre	<input type="checkbox"/> Non-Resl. (>2,000 sq. ft.)	\$ 1000.00
<input type="checkbox"/> Minor PD Amendment	\$ 500.00	<input type="checkbox"/> Non-Resl. (<2,000 sq. ft.)	\$ 200.00
SPECIAL REVIEW USE		<input type="checkbox"/> Amendment (major)	\$ 1100.00
<input type="checkbox"/> Major	\$ 1000.00	<input type="checkbox"/> Amendment (minor)	\$ 350.00
<input type="checkbox"/> Minor	\$ 400.00	VARIANCE	\$ 600.00
<input type="checkbox"/> Oil & Gas	\$ 1200.00	SERVICE PLAN Amendment	\$1,000.00 \$10,000.00
All fees include both Town of Erie Planning & Engineering review. These fees do not include referral agency review fees, outside consultant review fees, or review fees incurred by consultants acting on behalf of staff. See Town of Erie Municipal Code, Title 2-10-5 for all COMMUNITY DEVELOPMENT FEES.			

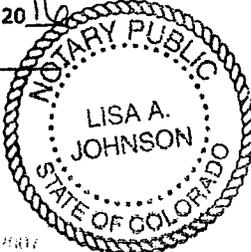
The undersigned is fully aware of the request/proposal being made and the actions being initiated on the referenced property. The undersigned understand that the application must be found to be complete by the Town of Erie before the request can officially be accepted and the development review process initiated. The undersigned is aware that the applicant is fully responsible for all reasonable costs associated with the review of the application/request being made to the Town of Erie. Pursuant to Chapter 7 (Section 7.2.B.5) of the Unified Development Code (UDC) of the Town of Erie, applicants shall pay all costs billed by the Town for legal, engineering and planning costs incurred by staff, including consultants acting on behalf of staff, necessary for project review. By this acknowledgement, the undersigned hereby certify that the above information is true and correct.

Owner: Michael Lund Date: 8/22/16
 Owner: _____ Date: _____
 Applicant: _____ Date: _____

STATE OF COLORADO)
 County of Jefferson) ss.

The foregoing instrument was acknowledged before me this 22 day of August, 2016 by Michael Lund

My commission expires: 5-15-2020
 Witness my hand and official seal.



Lisa A. Johnson
 Notary Public



August 26, 2016

VIA EMAIL AND U.S. MAIL

R. Martin Ostholthoff
Town of Erie
Community Development Department
645 Holbrook Street
Erie, CO 80516

Re: Vista Ridge Metropolitan District Service Plan Amendment - Detailed Narrative
Explaining the Service Plan Amendment

Dear Marty:

Introduction

The Vista Ridge Metropolitan District (the “**District**”) is requesting that the Board of Trustees (the “**Board**”) approve an amendment to the District’s Service Plan that would authorize the District to issue general obligation bonds secured by an unlimited tax pledge. The District currently has a cap or limit on its debt service mill levy of 42.827 mills, which is typically referred to as a limited tax pledge.

Vista Ridge Summary

The Vista Ridge Metropolitan District was approved by the Town of Erie (the “**Town**”) in 2000 and organized on January 8, 2001. The purpose of the District is to finance and construct public improvements required for the Vista Ridge development, including roadways, sewer and stormwater facilities, and recreation amenities, and to provide limited operating services pursuant to the Service Plan. Most of the public improvements were dedicated to the Town or the Vista Ridge Homeowners’ Association. Information about the District includes:

- The District encompasses 923 acres;
- The Service Plan anticipated over 2,000 residential units to be constructed and nearly all residential development in the District is complete; and
- Over 52,000 square footage of commercial development has been constructed within the District and more commercial development construction is currently underway.

The District is governed by a five member elected Board of Directors, all of whom are property owners in the District and four of the members reside in the District and the fifth member owns a house in the District.

Current Debt Refunding Opportunity

The District's general obligation debt is comprised of \$31,970,000 Senior Lien Limited Tax Series A General Obligation Bonds and \$4,945,000 Subordinate Lien Limited Tax General Obligation Series B Bonds, both issued in 2006. The average interest rate on those bonds is 5.66%. Current market conditions are favorable for a debt refunding to lower the interest rate, thus, lowering annual debt payments. The District is seeking the service plan amendment to secure the maximum potential savings on a debt refunding, which in turn allows the largest decrease in the District's debt service mill levy.

In addition to the general obligation debt, the District also has non-ad valorem tax debt comprised of \$2,303,759 Subordinate Non-Ad Valorem Tax Revenue Bonds, Series 2006C and \$1,121,768 Subordinate Non-Ad Valorem Tax Revenue Bonds, Series 2008C. The District may refund these bonds in the future, but the proposed service plan amendment does not include this debt.

Bond Refunding Differences

The analysis prepared by the District's bond team shows that continuation of the limited tax pledge will reduce the number of bonds that can be refunded for savings. This is due to the analytical test that is conducted by credit rating agencies which measures the amount of revenue from the limited tax pledge in relation to annual debt payments. This is called the debt service coverage ratio and analysts will want to see a ratio of not less than 130% based on current development relative to maximum annual debt service. If the bond security is an unlimited tax pledge, this test is unnecessary and a larger amount of bonds can be refunded at lower interest rates, creating larger savings for residents.

The basic sequence of steps creating larger savings, and a lower tax rate, are:

- The unlimited tax pledge will raise the District's credit rating;
- The higher credit rating means bonds can be issued at a lower interest rate, possibly as low as 3.15%;
- It also increases the amount of bonds that can be refunded;
- The larger amount of bonds refunded lowers annual debt payments; and
- It creates the lowest possible mill levy after the refunding.

R. Martin Ostholthoff
August 26, 2016
Page 3

Town Board Considerations for Approving the Service Plan Amendment

The District has a very limited amount of authorized but unissued debt. There are no plans to use this remaining authority nor is the District's Board of Directors considering any new debt authorization, which would require voter approval, at a minimum. Continued growth and appreciating property values offset the potential that the District would ever be in a situation requiring a tax levy greater than the current cap rate of 42.827 mills. The District anticipates lowering the mill levy from the current maximum rate to about 31.500 mills, a 26% decrease in the tax rate, which equates to a \$450 per year reduction in District property taxes on a \$500,000 home.

Very truly yours,

MCGEADY BECHER P.C.



Martin A. Plate

Enc.