

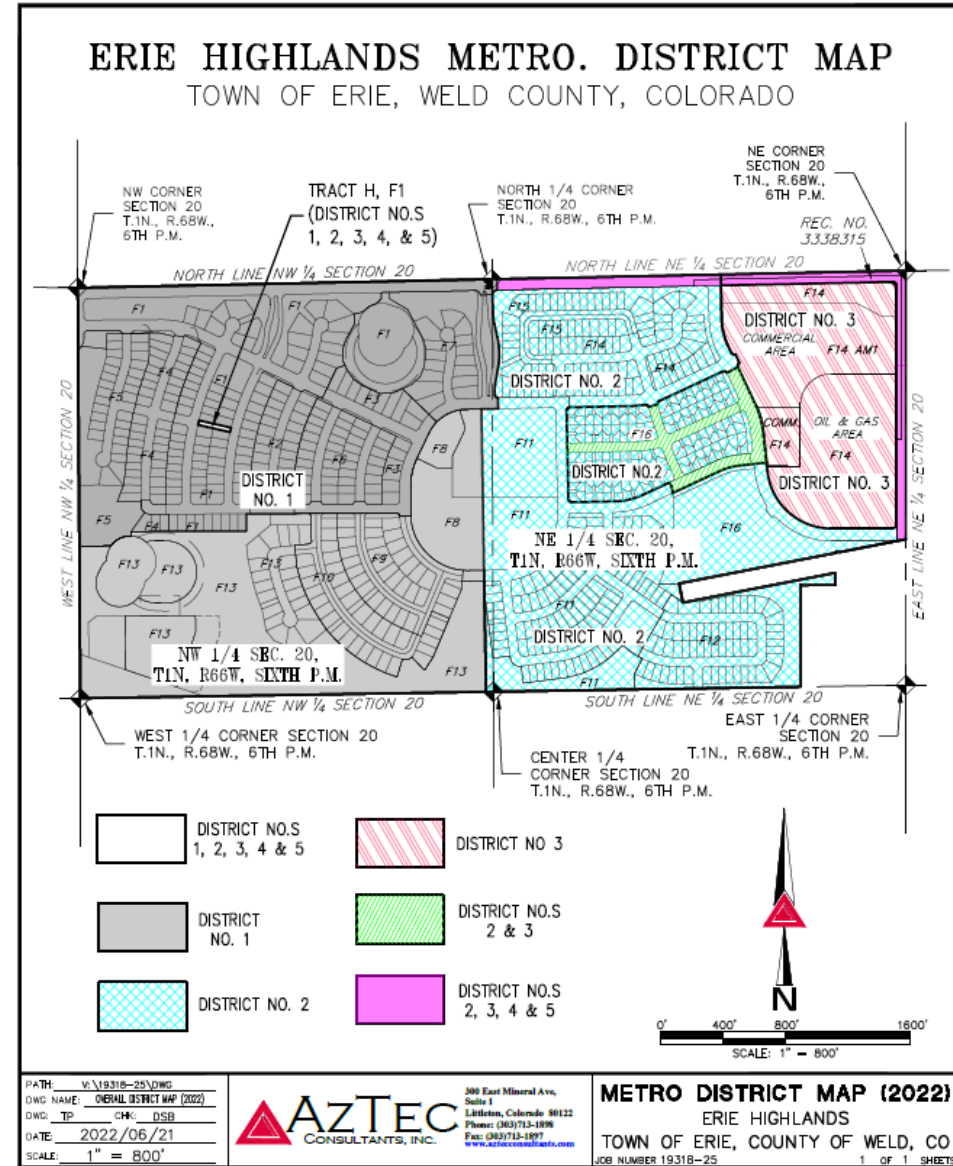
# Erie Highlands Metropolitan District Nos. 1 and 2

Town of Erie, Town Council

April 8, 2025

Request for Approval of Service and Facility Fee – 2025 - 2029

# Erie Highlands Metropolitan District Nos. 1-5 – District Boundary Map





# Organization of the Erie Highlands Metropolitan District Nos. 1-5

- Organized in 2013 by Oakwood Homes
  - Service Plan approved by Town of Erie
  - Purpose
    - Financing, construction, maintenance and operation of Public Improvements
  - Administrative Structure
    - District 4 was “Operating District”
    - District 1, 2 financed Public Improvements
    - Districts 3 and 5 – to date, no activity
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# Development of Erie Highlands

## District 1

- Development began in District 1; 100% complete
- District 1 issued bonds in 2015
  - Senior and subordinate
- Refinanced in 2020
  - Senior only

## District 2

- Development still underway in District 2 – approx. 67% complete
- District 2 issued bonds in 2018
  - Senior, subordinate and junior subordinate

# Negotiations for Independent Operations

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- In 2023, District 1 and District 2 began negotiations with District Nos. 3, 4 and 5 and Oakwood Homes for independent operation
- Negotiations continued through 2024
- Settlement Agreement Finalized and Executed December 2024



# Settlement Agreement – December 2024

- Primary Terms
    - District 1 and District 2 operate independently from District Nos. 3, 4 and 5
    - District 1 and District 2 will own and operate:
      - Pool and Clubhouse; Community Landscaping and Stormwater Facilities primarily serving District 1 or District 2
    - Payment from Oakwood of \$352,367 to assist with Pool and Clubhouse repairs and deferred landscape maintenance
    - Release of any amounts owed by District 1 or District 2 to Oakwood or District Nos. 3, 4 or 5
    - District 1 and 2 to seek authorization from Town of Erie to impose Service and Facility Fee for 2025 through 2029
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# 2025 and the Future



- New Management and Accounting Company – District 1 and 2
- Landscape Improvements
- Pool and Clubhouse Repairs
- Cost Sharing of Community Costs between Districts 1 and 2



# Service and Facility Fee – 2025 to 2029

- Fee Needed to Balance Budget through anticipated completion of development in District 2
  - Maximum of \$636 Annually or \$53 per month
  - Only Allowed to be Imposed from 2025 through 2029 (5 Years)
  - Ultimately Set by District 1 and District 2 Board (Homeowners)
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# Service and Facility Fee – 2025 to 2029

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- Uses
  - Clubhouse Operations and Repairs
    - Structure repairs
    - Updated door locks and access system
  - Pool Operations and Repairs
    - Pool deck (concrete) repairs and replacements
    - Filter equipment
  - Landscaping Repairs
    - Landscaping throughout District 1 and 2



# Town of Erie – Service and Facility Fee Approval

- Districts' service plan requires written approval from Town to impose a Fee. *Section V.A.8.*
  - Request Approval to Impose Service and Facility Fee
    - Up to a Maximum of \$636 Annually
    - 2026 through 2029
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