



08/10/2021

City of Brighton Planning Department  
500 S 4<sup>th</sup> Avenue  
Brighton, CO. 80601  
C/O Mike Tylka

RE: Orchard Grove – Withdrawal of Zone Change Application, Orchard Grove Project

This letter is to formally notify you of our intention to withdraw the Orchard Church Zone Change Application from our scheduled time slot in the City Council Public Hearing scheduled for Tuesday, August 17<sup>th</sup>.

Due to the upcoming changes on January 1<sup>st</sup>, 2022 to the water dedication and credit systems passed in Ordinance No. 2363, this project will no longer be feasible due to the large increase in the amount and the associated cost of water that is anticipated to be required. Our initial estimates project that the increased requirement on a per lot basis under the new density system, coupled with the reduction in the amount of dedication credit received per water share, will unreasonably triple the projected cost of the water needed to satisfy the dedication requirements for this project. As a result, the cost of developing this property is now untenable.

As I'm sure you are aware, water rights are one of the largest obstacles to developing in Northern Colorado. Taking into consideration the increasing costs of dedication acceptable water shares in the region, along with the upcoming changes in January due to Ordinance 2363, it is our opinion that Brighton is positioning itself to be one of the most expensive municipalities in Northern Colorado to try to develop from a water cost perspective. We would urge you to take a second look at the requirements outlined in Ordinance 2363 and analyze the impact of increasing the per lot dedication requirements while also substantially decreasing the amount of credit received per water share moving to a dry yield system from a cost basis to see the totality of the challenge this will pose to development moving forward.

The cost of water is already a huge challenge to those of us trying to develop property for affordable housing in the state of Colorado. With the changes proposed in Ordinance No. 2363 it is our belief that it will become next to impossible to develop in the City of Brighton in the near future.

If you would like to speak to us further about our experiences with development in Northern Colorado and our concerns for the new dedication system being instituted in Brighton, we would be happy to discuss.

Thank you for your time and consideration,

Sincerely,

A handwritten signature in black ink, appearing to read "Shane Rugg". The signature is stylized with a long, sweeping underline that extends to the left.

Shane Rugg  
Director of Land  
Prosper Land and Development, LLC