

# Upper Cottonwood Creek Metro District Debt Issuances City Council Work Session

October 7, 2019

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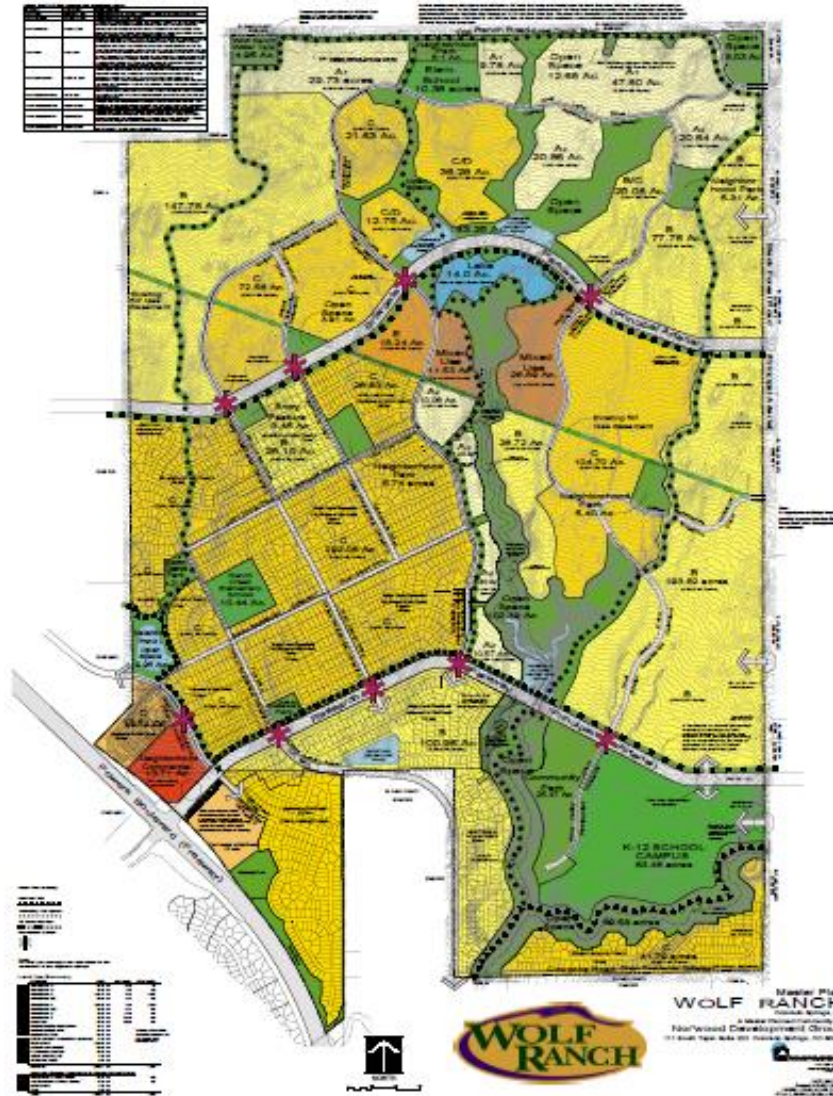


# Summary

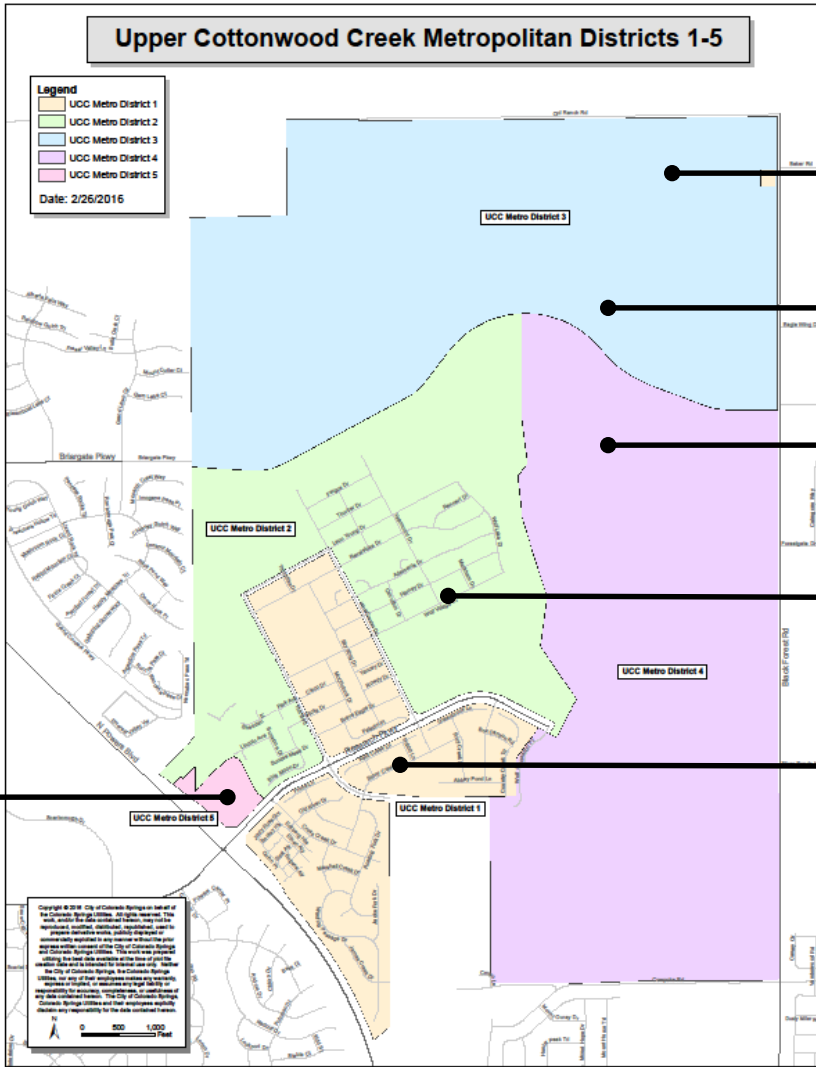


- Approval of Two Bond Issues
  - Upper Cottonwood Creek Metropolitan District No. 2
    - \$2,300,000
    - 33.166/33.397 debt service mills, subject to future Gallagher Adjustments
  - Upper Cottonwood Creek Metropolitan District No. 3
    - \$7,200,000
    - 33.397 debt service mills, subject to future Gallagher Adjustments
- 6% interest; tax exempt
- Two separate Council resolutions
- Both privately placed
- No subordination to prior bonds
- Final maturity 2049

# Wolf Ranch Master Plan



# District Geography



Old Ranch Metro District

Upper Cottonwood Creek No. 3

Upper Cottonwood Creek No. 4

Upper Cottonwood Creek No. 2

Upper Cottonwood Creek No. 1

Upper Cottonwood Creek No. 5

# District History/Evolution



- 2001 – Original Wolf Ranch MP
- 2002 – Old Ranch and Upper Cottonwood Creek Metro. District
  - Old Ranch (servicing/master)
  - UCC (financing)
  - 20 mill (Gallagher-adjusted) overall ML cap
    - 3.5 mills for operations (now 4.02)
- 2006 – UCC Districts No. 2-5
  - City Council Special District Policy and Model Plans
  - Consolidated service plan for Districts No. 2-5
    - Districts 2-4 residential/ District 5 commercial
    - 10.0 mills for operations

# District History/Evolution, cont'd



- 2010 – Council authorizes issuance of debt up to \$2,350,000.00 for District 2
- 2016 – Council approves Amendment to Service Plan to increase Maximum Operating Mill Levy from 10.0 mills to 20.0 mills for Nos. 3, 4, and 5  
(note: not applicable to District No. 2)
- 2018 – Council authorized additional debt of up to \$7,800,000 by District No. 2

# Additional Information



- Maximum authorized debt District No. 2 is \$25,000.000
- Maximum authorized debt District No. 3 is \$35,000.000
- External advisor letter required due to private placement
- Interest rate can be fixed
- Bond proceeds will reimburse certified public improvements costs now subject to a reimbursement agreement between the developer and the Old Ranch District
  - Proportions allocated to each financing district

# Budget Committee



- September 10, 2019
- Asked several clarifying questions



# Supporting Materials



- Agenda memo
- City Council resolution
- District transmittal letter
- Forms of bond resolutions
- Summary totals of district-wide certified costs
- Opinion Letter from external financial advisor
- Form of District counsel opinion

# Staff Recommendations and Next Steps



- 1 Year to Issue/Close (October 22, 2020)
- New Business- October 22, 2019?
- At Least **Six** Affirmative Votes Required
  - City Charter 7-100(a) -> exceeds 10% of total assessed valuation