



## Legislation Text

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**File #:** 22-293, **Version:** 2

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Ordinance No. 22-42 of the Board of Directors of the Colorado Springs, Spring Creek General Improvement District to approve the Dissolution of the District

**Presenter:**

Charae McDaniel, Chief Financial Officer

**Summary:**

Following the public hearing on July 12, 2022, the attached ordinance is now presented for approval by City Council, sitting as the Board of Directors of the Colorado Springs Spring Creek General Improvement District (GID). State law requires formal action in accordance with C.R.S. § 31-25-625 be taken to dissolve the District.

**Background:**

On August 9, 2005, the Spring Creek GID Board approved the refinancing of the District's bonds in the amount of \$2,695,000. Final payment on the bonds was made on December 1, 2020. Given the District now has no outstanding indebtedness, obligations or liabilities, the District may be dissolved.

**Previous Council Action:**

City Council originally created this GID in 1985 (Ordinance No. 85-182). In 1987 the Board approved the issuance of General Obligation Bonds in an aggregate principal amount of \$5,355,000 (Ordinance 87-72). Due to an economic downturn in the early 1990s the District filed for Chapter 9 of the U.S Bankruptcy Code and restructured the bond with Series 1995 Bankruptcy Plan Bonds in an aggregate amount of \$5,090,000 (Ordinance No. 95-172). In 2005, the Board approved a bond refinance in the amount of \$2,695,000 (Ordinance No. 05-107). Since creation of the District the Board has annually set and certified the mill levy, adopted the budget, and appropriated funding for the District.

The Board approved the District's 2022 budget appropriation of \$34,937 for required audit, public notice postage and printing fees, and closeout costs related to the 2022 dissolution of the District. Sources of funds for the District are interest income of \$500 and estimated beginning 2022 fund balance of \$34,437. With the payoff of existing bond debt in December 2020, the mill levy was set to zero (0.00) for collection in 2021 and 2022.

Prior to presentation of this ordinance, the Board held a public hearing to hear any protests against or objections to dissolution of the District in accord with C.R.S. § 31-25-625. Public notice as required by C.R.S. § 31-25-606 was given to eligible electors of the District by a postcard mailing in early June 2022, information was published on the City's website about the public hearing and dissolution, and the Notice of Public Hearing was published in the Gazette on July 2, 2022.

**Financial Implications:**

Since the Colorado Springs Spring Creek General Improvement District is a separate entity there are no financial implications for the City of Colorado Springs.

**City Council Appointed Board/Commission/Committee Recommendation:**

The City Council Budget Committee reviewed this dissolution request at the meeting on May 10, 2022.

**Stakeholder Process:**

Prior to the presentation of the ordinance, the Board held a public hearing to hear any protests against or objections to dissolution of the District in accordance with C.R.S. § 31-25-625. Public notice as required by C.R.S. § 31-25-606 was given to eligible electors of the District by a postcard mailing in early June 2022, information was published on the City's website about the public hearing and dissolution, and the Notice of Public Hearing was published in the Gazette on July 2, 2022.

**Alternatives:**

N/A

**Proposed Motion:**

Move to approve the attached ordinance of the Board of Directors of the Colorado Springs, Spring Creek General Improvement District to approve the Dissolution of the District.

An Ordinance of the Board of Directors of the Colorado Springs, Spring Creek General Improvement District to approve the Dissolution of the District