

EFFECTIVE DATE: 11-14-16

RESOLUTION NO. R2016 - 83

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE FIRST AMENDMENT TO THE CONSOLIDATED SERVICE PLAN FOR TRADITIONS METROPOLITAN DISTRICT NO. 2

WHEREAS, the City Council (the "Council") of the City of Aurora, Colorado (the "City"), has adopted Chapter 122 of the City's Municipal Code (the "Code"), which Chapter establishes procedures for the review and approval of proposals to modify service plans for Title 32 special districts located within the City's boundaries; and

WHEREAS, the Council approved the Consolidated Service Plan for Traditions Metropolitan District Nos. 1 and 2 on August 18, 2003 (the "Service Plan"), pursuant to Resolution No. R2003-64; and

WHEREAS, Traditions Metropolitan District No. 2 (the "District") was organized on December 11, 2003, for the purpose of providing public improvements to the Traditions community; and

WHEREAS, Traditions Metropolitan District No. 1 was dissolved pursuant to an Order of the Arapahoe County District Court dated July 11, 2011 and recorded at Reception No. D1070889; and

WHEREAS, in order to finance construction of the public improvements necessary for the Traditions development, the District has issued the following debt obligations: General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2006 in the original principal amount of \$4,775,000 on November 21, 2006 (the "2006 Bonds"); and Subordinate General Obligation (Limited Tax Convertible to Unlimited Tax) Convertible Capital Appreciation Bonds, Series 2008, in the original principal of \$5,129,188 on May 13, 2008 (the "2008 Bonds"); and

WHEREAS, the 2006 Bonds and the 2008 Bonds remain outstanding (collectively, the "Outstanding Debt") and in evaluating its options for repayment of the Outstanding Debt, the District has determined that a refunding of the Outstanding Debt is the most appropriate course of action; and

WHEREAS, the District has pledged *ad valorem* tax revenues generated from an annual mill levy of up to fifty (50) mills to payment of the Outstanding Debt; and

WHEREAS, in order to receive optimal interest rates available in the current market, such refunding requires the District to pledge an unlimited mill levy to repayment of the Outstanding Debt, thereby necessitating an amendment to the District's Service Plan; and

WHEREAS, the District has submitted to the Council a First Amendment to the Consolidated Service Plan for Traditions Metropolitan District Nos. 1 and 2, pursuant to which the District proposes to amend the Service Plan to permit a refunding of the Outstanding Debt with a

pledge of an unlimited mill levy to the repayment thereof and eliminate the maturity limitation on the refunded Outstanding Debt (the "Service Plan Amendment"); and

WHEREAS, City staff has reviewed the proposed Service Plan Amendment and finds that such amendment is in the best interests of both the City and the District's taxpayers; and

WHEREAS, Title 32, Article 1, C.R.S., as amended (the "Special District Act"), and Section 122-36(b) of the Code each provide that material modifications to an approved service plan may be made by the District's Board of Directors only by petition to and approval by the Council in substantially the same manner as provided for in the approval of the Service Plan; and

WHEREAS, in accordance with the provisions of the Special District Act and Section 122-36(b) of the code, the Council has conducted a duly-noticed public hearing on November 14, 2016, regarding the Service Plan Amendment; and

WHEREAS, notice of the public hearing before the Council was published in the *Aurora Sentinel*, a newspaper of general circulation in the City on, October 20, 2016, as required by law, and mailed to all interested persons, the Colorado Division of Local Government, and the governing body of each municipality and special district that has levied an *ad valorem* property tax within the next preceding tax year and that has boundaries within a radius of three miles of the District; and

WHEREAS, the Council has considered the proposed Service Plan Amendment, the recommendation of City staff, and all other testimony and evidence presented at the public hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The Council hereby finds and determines that:

a. Each of the requirements of Part 2 of the Special District Act and of Section 122-36(b) of the Code relating to the filing of the Service Plan Amendment have been fulfilled and notice of the public hearing was given in the time and manner required by law; and

b. All pertinent facts, matters, and issues were submitted at the public hearing, all interested parties were heard or had the opportunity to be heard, and evidence satisfactory to the Council of each of the following was presented:

1. There is still sufficient existing and projected need for organized service in the area served by the District;
2. The existing service in the area served by the District remains inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient services to the area within its boundaries;

4. The area included within the District has, or will have, the financial ability to discharge the indebtedness proposed by the Service Plan Amendment on a reasonable basis;
5. Adequate service is not, or will not be, available to the area through the City, county, or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
6. The facility and service standards of the District are compatible with the facility and service standards of the City;
7. The Service Plan Amendment is in substantial compliance with the comprehensive plan adopted by the City;
8. The Service Plan Amendment is in compliance with any duly-adopted City, regional, or state long-range water quality management plan for the area; and
9. The Service Plan Amendment is in the best interests of the area served by the District.

Section 2. The Service Plan Amendment is hereby approved as submitted.

Section 3. This resolution shall take effect immediately without reconsideration.

Section 4. All prior Resolutions or any parts that are inconsistent herewith are hereby rescinded.

RESOLVED AND PASSED this 14th day of November, 2016.


STEPHEN D. HOGAN, Mayor

ATTEST:


for JANICE NAPPER, City Clerk

APPROVED AS TO FORM:


JACK BAJOREK, Sr. Assistant City Attorney