

Lanterns Metropolitan District No. 1 - Review of Proposed Bond Issuance

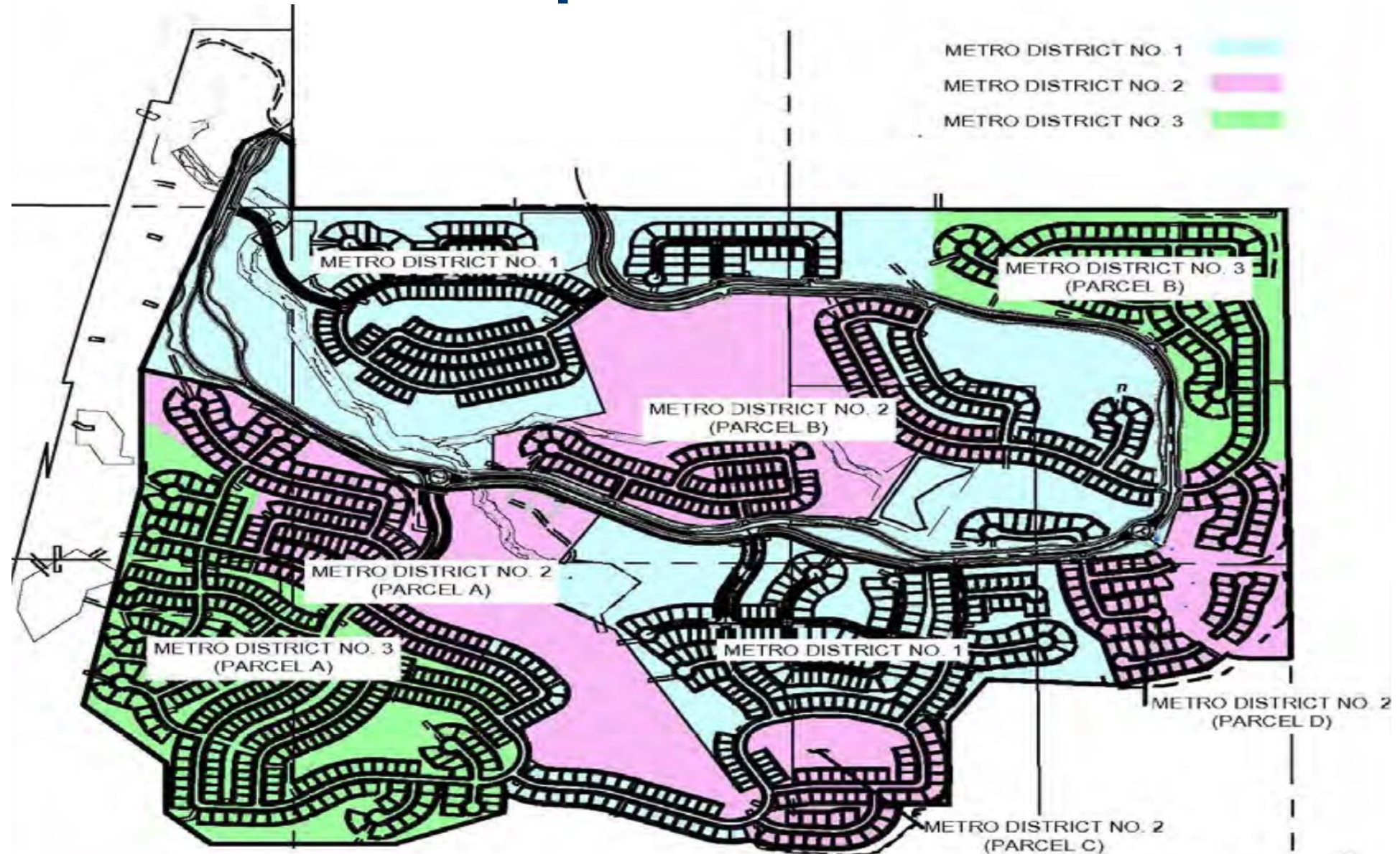


Castle Rock Municipal Code

Section 11.02.110

- Metro districts must submit proposed financings of district debt to the Town for review and comment
- Submittals shall include information and documents related to the proposed financing (e.g., interest rate, financing costs, mill levy amount, offering statement)
- Districts must certify that the proposed financing is in compliance with the district service plan

Map of District



District's Proposal

- Lanterns Metropolitan District No. 1 plans to issue Limited Tax General Obligation Refunding and Improvement Bonds, Series 2024
 - Estimated par amount – \$27,735,000
 - Final maturity – December 1, 2054
 - Estimated interest rate – 4.34%

District's Proposal

Proceeds of the Bonds (along with funds on hand) will be used to:

- Finance the construction of public improvements (appx. \$6,000,000)
- Refund the following debt obligations:
 - Limited Tax General Obligation Bonds, Series 2019A (outstanding principal - \$18,740,000)
 - Subordinate Limited Tax General Obligation Bonds, Series 2019B (outstanding principal - \$2,051,000)
 - Junior Lien Limited Tax General Obligation Bonds, Series 2019C (outstanding principal - \$1,329,000)

Limits on District Mill Levy and Debt

- The District was organized pursuant to a service plan approved by Town Council on October 13, 2002, which plan was amended and restated in 2014 and 2018
- The debt mill levy cap of the District is 63.6 mills, subject to future adjustments in assessed valuation
- Per the service plan, District bonds shall discharge no later than 40 years from the date of issuance

Findings and Recommendation

- The District has certified that the proposed bond issuance is authorized by and in compliance with the District Service Plan
- Town Staff finds that the proposed bond issuance complies with the District Service Plan
- Town Staff recommends that the District be allowed to move forward with the bond issuance as proposed