

[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion

1 purpose and appropriate use of a public improvement district as set forth in the Act and
2 the PID Ordinance; and

3 WHEREAS, the Formation Resolution authorized the Board of Directors of the
4 District (the "Board"), among other things, to: (i) acquire, construct and finance the
5 Project and pay costs and expenses related thereto; (ii) impose a special levy upon the
6 real property within the District to finance the Project; and (iii) issue the District's special
7 levy revenue bonds in an aggregate principal amount not to exceed \$7,000,000 to
8 finance the Project; and

9 WHEREAS, pursuant to the Formation Resolution, the City approved: (i) the
10 Development Agreement; (ii) the General Plan; (iii) the Feasibility Study; (iv) the Rate
11 and Method; and (v) a form of Notice of Special Levy (the "Notice of Special Levy" and,
12 together with the Development Agreement, General Plan, Feasibility Study, Rate and
13 Method and Notice of Special Levy, the "Formation Documents"); and

14 WHEREAS, pursuant to District Resolution No. 2004-03 adopted by the Board on
15 February 18, 2004 following a public hearing as provided by law, the Board approved
16 the Feasibility Study, the Project, the Rate and Method, as revised to address certain
17 density classifications and prepayment provisions, and the Notice of Special Levy; and

18 WHEREAS, pursuant to District Resolution 2004-05, the Board authorized the issuance
19 and sale of its "Ventana West Public Improvement District Special Levy Revenue
20 Bonds, Series 2004" (the "Series 2004 Bonds") in an original aggregate principal
21 amount of \$7,000,000, for the purpose of defraying the costs of the Project; and

22 WHEREAS, the Series 2004 Bonds are presently outstanding in the aggregate
23 principal amount of \$5,725,000, which outstanding Series 2004 Bonds are currently
24 callable (the "Refunded Bonds"); and

25 WHEREAS, the Board adopted Resolution No. 2015-03, pursuant to which it
26 authorized, subject to first obtaining any required City approval, the issuance of a series
27 of bonds to be denominated the Ventana West Public Improvement District Special
28 Levy Refunding Revenue Bonds, Series 2015 (the "Series 2015 Bonds") to refund,
29 redeem and pay the Refunded Bonds will reduce debt service costs for the District and

[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion

1 effect other savings and economies, all to the benefit of the District and its residents
2 (the "Refunding"); and

3 WHEREAS, the District has caused to be placed on file with the City copies of
4 Resolution No. 2015-03 along with the transaction documents authorized by that
5 resolution; and

6 WHEREAS, the City Council has considered Resolution No. 2015-03 in
7 connection with the requirements for the District's issuance of the Series 2015 Bonds
8 set forth in the PID Ordinance and the Formation Resolution.

9 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
10 ALBUQUERQUE:

11 Section 1. Findings. The City hereby declares that it has considered District
12 Resolution No. 2015-03 and all other relevant information and finds as follows:

13 A. District Resolution No. 2015-03 authorizes the issuance of the Series
14 2015 Bonds in an aggregate amount not to exceed \$6,350,000, at a maximum annual
15 interest rate not to exceed ten (10) percent per annum, which rate and other details of
16 the Series 2015 Bonds will be specifically determined by the District and approved in a
17 sale resolution to be adopted by the District (the "Sale Resolution").

18 B. The Series 2015 Bonds will be issued for the purpose of refunding the
19 Refunded Bonds in order to achieve interest cost savings for the District and
20 corresponding reductions in special levies payable by residents of the District.
21 Proceeds of the Series 2015 Bonds shall be used to refund the Refunded Bonds,
22 purchase a debt service reserve fund insurance policy and pay costs of issuance fo the
23 Series 2015 Bonds, which purposes are authorized by the PID Ordinance and is
24 consistent with the Formation Resolution, the Development Agreement, and District
25 Resolution No. 2015-03.

26 C. District Resolution No. 2015-03 provides that the Series 2015 Bonds
27 will be the obligations solely of the District, and will not be backed by the faith, credit,
28 general funds or resources of the City in any manner. Owners of the Series 2015

[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion

1 Bonds will have no right to require that the City or the District impose ad valorem
2 property taxes to pay District Bonds, including but not limited to, the Series 2015 Bonds.

3 D. The City's Debt Committee has reviewed and approved District
4 Resolution No. 2015-03 on _____, 2015.

5 E. District Resolution No. 2015-03 provides for the following parameters:

6 (i) The maximum principal amount of the Series 2015 Bonds
7 shall not exceed \$6,350,000.

8 (ii) The Series 2015 Bonds may be marketed to the public or
9 sold in a private placement.

10 (iii) The maximum net effective interest rate on the Series 2015
11 Bonds shall not exceed 10% per annum.

12 (iv) The minimum net present value savings (i.e. net of all costs
13 of issuance of the Series 2015 Bonds) achieved by the Refunding shall be three percent
14 (3%).

15 (v) The Series 2015 Bonds shall be dated as of the date of
16 delivery of the Series 2015 Bonds.

17 (vi) The Series 2015 Bonds shall be issued only as fully
18 registered bonds in minimum denominations of at least \$5,000, subject to book-entry-
19 only system of registration.

20 (vii) The Series 2015 Bonds shall be numbered consecutively
21 from one upwards or as otherwise requested by the Purchaser.

22 (viii) The Series 2015 Bonds may mature in serial or term
23 maturities with the last such maturity no later than August 1, 2033.

24 (ix) The Series 2015 Bonds shall be subject to optional
25 redemption, special optional redemption and mandatory redemption as shall be set forth
26 in the Indenture.

27 (x) Prior to selling the Series 2015 Bonds, any required approval
28 by the City shall first have been obtained.

29 Section 2. Additional Requirements.

1 MAKING FINDINGS IN CONNECTION WITH THE VENTANA WEST PUBLIC
2 IMPROVEMENT DISTRICT'S RESOLUTION AUTHORIZING THE ISSUANCE AND
3 SALE OF SPECIAL LEVY REFUNDING REVENUE BONDS; RATIFYING AND
4 APPROVING THE ISSUANCE AND SALE OF THE VENTANA WEST PUBLIC
5 IMPROVEMENT DISTRICT SPECIAL LEVY REFUNDING REVENUE BONDS,
6 SERIES 2015, AS SUBSTANTIALLY CONSISTENT WITH THE REQUIREMENTS OF
7 CITY ORDINANCE ENACTMENT NO. 0-2003-12 AND CITY COUNCIL RESOLUTION
8 ENACTMENT NO. 169-2003.

9 A summary of the subject matter of the Resolution is contained in its title.

10 (End of Form of Summary of Resolution for Publication)

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion



CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor

Mayor Richard J. Berry

INTER-OFFICE MEMORANDUM

September 11, 2015

TO: Rey Garduño, President, City Council

FROM: Richard J. Berry, Mayor 

SUBJECT: Bond Resolution – Ventana West PID Special Levy Refunding Bonds, Series 2015

The attached bond resolution authorizes the issuance and sale of Special Levy Refunding Revenue Bonds, Series 2015 for the Ventana West Public Improvement District (PID).

The Series 2015 bond proceeds will be used to refund the Series 2004 Bonds - \$5,725,000 of principal maturing July 1, 2017 through July 1, 2034, which have an average interest rate of 6.75%. The net present value debt service savings are estimated between 16% - 23% of the refunded par amount. The debt service savings from the refunding will be used to decrease the special levies imposed on property owners of the PID.

A floor substitute resolution will be provided to the Council prior to adoption on October 7, 2015.

The attached proposed resolution is hereby forwarded to the Council for its consideration and action.

Bond Resolution – Ventana West PID Special Levy Refunding Bonds, Series 2015

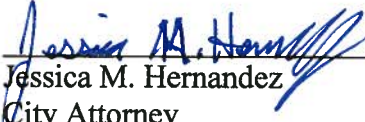
Approved:



Robert J. Perry
Chief Administrative Officer

9/20/15
Date

Approved as to Legal Form:

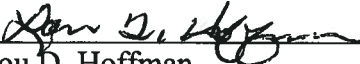


Jessica M. Hernandez
City Attorney

9/22/15
Date

9-18-15


Recommended:



Lou D. Hoffman
Director, Finance & Administrative Svcs.

15 Sept
Date

Recommended:



Wilfred A. Gallegos
Director, Municipal Development

9/16/15
Date

FISCAL IMPACT ANALYSIS

TITLE: AUTHORIZING THE ISSUANCE AND SALE OF SPECIAL LEVY REFUNDING REVENUE BONDS R: xxx O:
 FUND: n/a
 DEPT: n/a

- No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

		2016	Fiscal Years 2017	2018	Total
Base Salary/Wages					-
Fringe Benefits at	35.54%	-	-	-	-
Subtotal Personnel		-	-	-	-
Operating Expenses					-
Debt Service		\$ 89,896	\$ 483,050	\$ 482,600	1,055,546
Property					-
Indirect Costs	2.50%	-	-	-	-
Total Expenses		\$ 89,896	\$ 483,050	\$ 482,600	\$ 1,055,546
<input checked="" type="checkbox"/> Estimated revenues not affected					
<input type="checkbox"/> Estimated revenue impact					
Revenue from program					0
Amount of Grant					
City Cash Match -Fund 280		\$ 89,896	\$ 483,050	\$ 482,600	1,055,546
City In-kind Match					
City IDOH					
Total Revenue		\$ 89,896	\$ 483,050	\$ 482,600	\$ 1,055,546

These estimates do not include any adjustment for inflation.
 * Range if not easily quantifiable.

Number of Positions created

COMMENTS: The fiscal impact is neutral. City is not responsible for the debt service. The Ventana West PID is a separate entity and has its own governing board. The Series 2015 bond proceeds will be used refund the Series 2004 Bonds \$5,725,000 of principal maturing July 1, 2017 through July 1, 2034, which have an average interest rate of 6.75%. Net present value debt service savings are estimated between 16% - 23%. The debt service savings from the refunding will be used to decrease the special levies imposed on property owners of the PID. See Attached Debt Service Savings schedule.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:

FISCAL ANALYST

APPROVED:

DIRECTOR

REVIEWED BY:

EXECUTIVE BUDGET ANALYST

BUDGET OFFICER (date)

CITY ECONOMIST

9-15-15

Cover Analysis

1. . What is it?

The attached proposed bond resolution authorizes the issuance and sale of Special Levy Refunding Revenue Bonds, Series 2015 for the Ventana West PID.

2. What will this piece of legislation do?

The attached bond resolutions authorizes issuance of the Series 2015 Bonds (\$6,350,000) that will refund the Series 2004 Ventana West PID Special Levy Revenue Bonds.

3. Why is the project needed?

The Series 2015 bond proceeds will be used to refund the Series 2004 Bonds - \$5,725,000 of principal maturing July 1, 2017 through July 1, 2034, which have an average interest rate of 6.75%. The net present value debt service savings are estimated between 16% - 23% of the refunded par amount. The debt service savings from the refunding will be used to decrease the special levies imposed on property owners of the PID.

4. How much will it cost and what is the funding source?

The debt service from issuing the Series 2015 Bonds will be paid from special levies imposed on property owners benefitting from the infrastructure improvements. Net present value debt service savings per year is approximately \$75,000 - \$110,000 per year or 16% - 23% of the refunded par amount.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

The revenue source utilized to pay off the bonds will be the special levies imposed on the property owners benefitting from the infrastructure improvements.

Ventana West Public Improvement District
Summary of Outstanding Debt

Fiscal Year End 6/30	Series 2004			
	Principal	Coupon	Interest	Total P+I
2016	\$ 165,000	6.625%	\$ 394,672	\$ 559,672
2017	175,000	6.625%	383,409	558,409
2018	185,000	6.625%	371,484	556,484
2019	195,000	6.625%	358,897	553,897
2020	210,000	6.625%	345,481	555,481
2021	225,000	6.625%	331,072	556,072
2022	240,000	6.625%	315,669	555,669
2023	255,000	6.625%	299,272	554,272
2024	270,000	6.625%	281,881	551,881
2025	290,000	6.875%	262,969	552,969
2026	310,000	6.875%	242,344	552,344
2027	330,000	6.875%	220,344	550,344
2028	355,000	6.875%	196,797	551,797
2029	375,000	6.875%	171,703	546,703
2030	405,000	6.875%	144,891	549,891
2031	430,000	6.875%	116,188	546,188
2032	460,000	6.875%	85,594	545,594
2033	490,000	6.875%	52,938	542,938
2034	525,000	6.875%	18,047	543,047
	<u>\$ 5,890,000</u>		<u>\$ 4,593,650</u>	<u>\$ 10,483,650</u>

Series 2004 Recap	
Original Issue Date:	June 15, 2004
Original Issue Size:	\$7,000,000
Original Coupon Range:	3.50% - 6.875%
Call Date:	August 1, 2014
Principal to be Refunded:	\$5,725,000
Refunded Coupon Range:	6.625% - 6.875%

Ventana West Public Improvement District
Summary of Refunding Scenarios

Fiscal Year End 6/30	Remaining Series 2004 Debt Service	Series 2015 Refunding		Series 2015 Refunding	
		Scenario 1 - Insured w/Surety Bond		Scenario 2 - Uninsured w/DSRF	
		Debt Service	Savings	Debt Service	Savings
2016	\$ 194,603	\$ 78,181	\$ 116,422	\$ 89,896	\$ 104,707
2017	558,409	449,984	108,425	483,050	75,359
2018	556,484	444,684	111,800	482,600	73,884
2019	553,897	444,334	109,563	476,928	76,969
2020	555,481	443,592	111,889	480,622	74,859
2021	556,072	446,988	109,084	483,181	72,891
2022	555,669	444,438	111,231	479,625	76,044
2023	554,272	445,763	108,509	479,894	74,378
2024	551,881	441,119	110,763	479,063	72,819
2025	552,969	440,847	112,122	477,481	75,488
2026	552,344	439,641	112,703	475,550	76,794
2027	550,344	438,097	112,247	477,500	72,844
2028	551,797	441,538	110,259	478,000	73,797
2029	546,703	434,419	112,284	473,000	73,703
2030	549,891	441,644	108,247	477,400	72,491
2031	546,188	438,103	108,084	471,200	74,988
2032	545,594	433,719	111,875	469,500	76,094
2033	542,938	433,625	109,313	467,200	75,738
2034	543,047	432,969	110,078	469,200	73,847
	<u>\$ 10,118,581</u>	<u>\$ 8,013,683</u>	<u>\$ 2,104,899</u>	<u>\$ 8,670,890</u>	<u>\$ 1,447,692</u>
Par Amount of Refunding Bonds			\$ 5,925,000		\$ 6,240,000
True Interest Cost of Refunding Bonds			4.33%		4.48%
Net Present Value Savings			\$ 1,346,976		\$ 955,972
Net Present Value Savings / Refunded Bonds			23.5%		16.7%

Note: Scenario 1 based on insured BBB+ rates as of 8.19.15 + 0.25% and a surety bond policy. Scenario 2 based on uninsured BBB- rates as of 8.19.15 + 0.25% and a cash funded reserve. Preliminary, subject to change.