

**CITY of ALBUQUERQUE
TWENTY-FOURTH COUNCIL**

COUNCIL BILL NO. R-21-206 ENACTMENT NO. R-2021-078

SPONSORED BY: Cynthia D. Borrego, by request

1 RESOLUTION

**2 MAKING FINDINGS IN CONNECTION WITH THE TRAILS PUBLIC IMPROVEMENT
3 DISTRICT'S RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
4 SPECIAL LEVY REFUNDING REVENUE BONDS; RATIFYING AND APPROVING
5 THE ISSUANCE AND SALE OF THE TRAILS PUBLIC IMPROVEMENT DISTRICT
6 SPECIAL LEVY REFUNDING REVENUE BONDS, SERIES 2021, AS
7 SUBSTANTIALLY CONSISTENT WITH THE REQUIREMENTS OF CITY
8 ORDINANCE ENACTMENT NO. 0-2003-12 AND CITY COUNCIL RESOLUTION NO.
9 R-07-13 ENACTMENT NO. R-2008-019.**

10 Capitalized terms in the following preambles shall have the meanings assigned in
11 City Council Resolution No. R-07-13 Enactment No. R-2008-019 on February 4, 2008
12 (the "Formation Resolution") except as otherwise defined in this Resolution, or unless
13 the context clearly requires otherwise.

14 WHEREAS, pursuant to the Act and Ordinance Enactment No. O-2003-12 (the
15 "PID Ordinance"), the Council enacted the Formation Resolution, in which the Council
16 approved the formation of The Trails Public Improvement District for the purpose of
17 financing public infrastructure improvements; and

18 WHEREAS, pursuant to the Formation Resolution, the Council approved the
19 Development Agreement between the Petitioner, the City and The Trails Public
20 Improvement District, by which the District financed various Infrastructure Improvements
21 to serve approximately 255 acres, located wholly within the corporate boundaries of the
22 City, consisting of 2,319 single-family dwelling units and multifamily residential units,

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

3 WHEREAS, pursuant to the Formation Resolution, the City approved: (i) the
4 Development Agreement; (ii) the General Plan; (iii) the Feasibility Study; (iv) the Rate
5 and Method; and (v) a form of Notice of Special Levy; and

6 WHEREAS, the Board of Directors of the District (the "Board") authorized,
7 pursuant to Resolution No. 2008-03 adopted on April 1, 2008 following a public hearing
8 as provided by law, among other things, to: (i) acquire, construct and finance the
9 Project and pay costs and expenses related thereto; (ii) impose a special levy upon the
10 real property within the District to finance the Project; and (iii) issue the District's Special
11 Levy Revenue Bonds, Series 2008 (the "Series 2008 Bonds") in an aggregate principal
12 amount not to exceed \$12,840,000 to finance the Project; and

13 WHEREAS, the District issued its Series 2008 Bonds on August 21, 2008 in the
14 aggregate principal amount of \$10,235,000; and

15 WHEREAS, the Series 2008 Bonds are presently outstanding in the aggregate
16 principal amount of \$8,380,000, of which up to \$8,380,000 shall be redeemed on
17 November 8, 2021 (the "Refunded Bonds"); and

18 WHEREAS, the Board adopted Resolution No. 2021-07 on September 29, 2021,
19 pursuant to which it authorized, subject to first obtaining any required City approval, the
20 issuance of a series of bonds to be denominated The Trails Public Improvement District
21 Special Levy Refunding Revenue Bonds, Series 2021 (the "Series 2021 Bonds") to
22 refund, redeem and pay the Refunded Bonds will reduce debt service costs for the
23 District and effect other savings and economies, all to the benefit of the District and its
24 residents (the "Refunding"); and

25 WHEREAS, the District has caused to be placed on file with the City copies of
26 Resolution No. 2021-07 along with the transaction documents authorized by that
27 resolution; and

1 WHEREAS, the City Council has considered Resolution No. 2021-07 in
2 connection with the requirements for the District's issuance of the Series 2021 Bonds
3 set forth in the PID Ordinance and the Formation Resolution.

4 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY
5 OF ALBUQUERQUE:

6 Section 1. Findings. The City hereby declares that it has considered District
7 Resolution No. 2021-07 and all other relevant information and finds as follows:

8 A. District Resolution No. 2021-07 authorizes the issuance of the
9 Series 2021 Bonds in an aggregate amount not to exceed \$9,000,000, at a maximum
10 annual interest rate not to exceed ten (10) percent per annum, which rate and other
11 details of the Series 2021 Bonds will be specifically determined by the District and
12 approved in a sale certificate to be adopted by the District.

13 B. The Series 2021 Bonds will be issued for the purpose of refunding
14 the Refunded Bonds in order to achieve interest cost savings for the District and
15 corresponding reductions in special levies payable by residents of the District.
16 Proceeds of the Series 2021 Bonds shall be used to refund the Refunded Bonds,
17 purchase a debt service reserve fund insurance policy and pay costs of issuance for the
18 Series 2021 Bonds, which purposes are authorized by the PID Ordinance and is
19 consistent with the Formation Resolution, the Development Agreement, and District
20 Resolution No. 2021-07.

21 C. District Resolution No. 2021-07 provides that the Series 2021
22 Bonds will be the obligations solely of the District, and will not be backed by the faith,
23 credit, general funds or resources of the City in any manner. Owners of the Series 2021
24 Bonds will have no right to require that the City or the District impose ad valorem
25 property taxes to pay District Bonds, including but not limited to, the Series 2021 Bonds.

26 D. The City's Debt Committee has reviewed and approved the
27 District's proposed Series 2021 Bonds on September 24, 2021.

28 E. District Resolution No. 2021-07 provides for the following
29 parameters:

1 (i) The maximum principal amount of the Series 2021 Bonds
2 shall not exceed \$9,000,000.

3 (ii) The Series 2021 Bonds may be marketed to the public or
4 sold in a private placement.

5 (iii) The maximum net effective interest rate on the Series 2021
6 Bonds shall not exceed 10% per annum.

7 (iv) The minimum net present value savings (i.e. net of all costs
8 of issuance of the Series 2021 Bonds) achieved by the Refunding shall be three percent
9 (3%).

10 (v) The Series 2021 Bonds shall be dated as of the date of
11 delivery of the Series 2021 Bonds.

12 (vi) The Series 2021 Bonds shall be issued only as fully
13 registered bonds in minimum denominations of at least \$5,000, subject to book-entry
14 only system of registration.

15 (vii) The Series 2021 Bonds shall be numbered consecutively
16 from one upwards or as otherwise requested by the Purchaser.

17 (viii) The Series 2021 Bonds may mature in serial or term
18 maturities with the last such maturity no later than October 1, 2038.

19 (ix) The Series 2021 Bonds shall be subject to optional
20 redemption, special optional redemption and mandatory redemption as shall be set forth
21 in the Indenture.

22 (x) Prior to selling the Series 2021 Bonds, any required approval
23 by the City shall first have been obtained.

24 Section 2. Additional Requirements.

25 A. The Series 2021 Bonds shall mature not later than October 1,
26 2038, which is the final maturity date of the Refunded Bonds.

27 B. A reasonably required debt service reserve fund requirement (the
28 "Reserve Requirement") shall be established in connection with the Series 2021 Bonds,

1 which may be satisfied by purchasing a debt service reserve fund insurance policy with
2 coverage in the amount of the Reserve Requirement.

3 Section 3. Ratification and Approval of Issuance and Sale of Series 2021
4 Bonds. Pursuant to District Resolution No. 2021-07 based upon the findings set forth in
5 Section 1 of this Resolution, the issuance and sale of Series 2021 Bonds as set forth in
6 District Resolution No. 2021-07 adopted by the City Council's designees sitting as the
7 District Board, are hereby authorized and approved.

8 Section 4. Repealer. All ordinances or resolutions, or parts thereof in conflict
9 with the provisions of this Resolution, are hereby repealed to the extent only of such
10 inconsistency. This repealer shall not be construed to revive any ordinance or
11 resolution, or part thereof, heretofore repealed.

12 Section 5. Severability. If any section, paragraph, clause or provision of this
13 Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or
14 unenforceability of such section, paragraph, clause or provision shall in no manner
15 affect any remaining provisions of this Resolution.

16 Section 6. Publication of Notice of Adoption of Resolution. The Clerk is hereby
17 directed to publish a notice of this Resolution, in substantially the following form:
18 Notice is hereby given of the title and general summary of the subject matter contained
19 in a resolution duly adopted and approved by the City Council of the City of
20 Albuquerque, New Mexico relating to ratification and approval of the issuance and sale
21 of The Trails Public Improvement District Special Levy Refunding Revenue Bonds,
22 Series 2021. Complete copies of the resolution are available for public inspection during
23 the regular business hours of the City Clerk, City of Albuquerque, New Mexico.

24 The title of the Resolution is as follows:

25 **RESOLUTION**

26 **MAKING FINDINGS IN CONNECTION WITH THE TRAILS PUBLIC IMPROVEMENT**
27 **DISTRICT'S RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF**
28 **SPECIAL LEVY REFUNDING REVENUE BONDS; RATIFYING AND APPROVING**
29 **THE ISSUANCE AND SALE OF THE TRAILS PUBLIC IMPROVEMENT DISTRICT**

1 SPECIAL LEVY REFUNDING REVENUE BONDS, SERIES 2021, AS
2 SUBSTANTIALLY CONSISTENT WITH THE REQUIREMENTS OF CITY
3 ORDINANCE ENACTMENT NO. 0-2003-12 AND CITY COUNCIL RESOLUTION NO.
4 R-07-13 ENACTMENT NO. R-2008-019.

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

6 (End of Form of Summary of Resolution for Publication)
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

X:\CL\SHARE\CL-Staff\Legislative Staff\Legislation\24 Council\R-206final.doc

1 PASSED AND ADOPTED THIS 18th DAY OF October, 2021
2 BY A VOTE OF: 7 FOR 0 AGAINST.

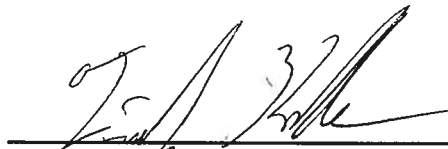
3
4 Excused: Benton, Davis

5
6
7
8 
9 Cynthia D. Borrego, President

10 City Council

11
12
13 APPROVED THIS 27 DAY OF October, 2021

14
15
16
17 Bill No. R-21-206

18
19
20
21 
22

23 Timothy M. Keller, Mayor

24 City of Albuquerque

25
26
27
28 ATTEST:

29 
30

31 Ethan Watson, City Clerk