



## Legislation Text

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**File #:** Pres 21-83, **Version:** 1

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### Third Creek West Financing Update

#### **Summary and Background Information:**

Third Creek West is a 234 acre site located on the east side of E-470 and west of DIA. and once developed will allow for the installation of critical infrastructure across E-470, helping to facilitate economic development in the E-470 corridor, and generate revenue for the City, ECAGID, and ERAGID. The entirety of Third Creek is 1,300 acres, and Third Creek West is the first parcel that will be developed.

At the time of annexation the City pledged approximately \$13.8M contribution for regional infrastructure, and the Developer pledged to construct other off and on-site improvements. Earlier this year, City Council approved the formation of Third Creek Metropolitan Districts Nos. 1-3. The districts will facilitate the construction of the residential, commercial, and mixed-use development. At the December 21, 2020 Council Meeting, the ECAGID directed staff to execute an engagement letter with DA Davidson to pursue a privately placed loan with an estimated 2.7% interest to fund the project's regional infrastructure.

DA Davidson sent the request for proposals to over thirty lenders, and has received responses from four. Now, staff needs to review the proposals with the ECAGID Board. Because the responses and associated documents are protected by the mandatory nondisclosure provision of the Colorado Open Records Act, the discussion of matters that may be subject to negotiations concerning proposals by potential lenders relating to public improvements must be heard in an Executive Session.

Key points regarding the RFP responses are as follows:

- The financing structure for the proposals is a Limited Tax General Obligation Loan, Series 2021
- The bonds will be issued in the approximate principal amount of \$15M, for the purpose of raising proceeds in the amount of \$13.8M
- These proceeds will fund certain regional public infrastructure as contemplated in the Annexation Agreement between the ECAGID, the ERAGID and the owners of Third Creek West

\*Please note that specific terms are not available at the time of publication and may be presented at the meeting or in the executive session.

**Staff Responsible (Department Head):** Roger Tinklenberg, Interim City Manager

**Staff Member Presenting:** Roger Tinklenberg, Interim City Manager

**Suggested Motion:** Motion to enter into executive session

