

April 1, 2021

This is a working document awaiting some additional answers.

Westerly Creek Metropolitan District (WCMD) is the taxing entity for the redevelopment of Central Park.

Park Creek Metro District (PCMD) is charged with oversight of the construction and financing in the development of Central Park.

Currently, in March 2021, the development is in its 21st year of 25 years of Tax Increment Financing (TIF) to complete the infrastructure. The *Front Porch* submitted these questions to PCMD to inform Central Park residents and interested neighbors of the financial and actual development status of the project. Central Park is now at what percent build-out? 310 acres are under development or left to develop. This remaining amount is approx. 10% of all the developable land that has been taken down [purchased from DIA] by Forest City/Brookfield Properties Development). Of the 310 acres that remain, approx. 122 acres are residential for sale, the rest are rental or commercial uses.

1. What are examples of regional infrastructure paid for by TIF revenue?
Grading, drainage, underground infrastructure including sewer, water, electric, five? (awaiting confirmation) elementary schools in Central Park (not the high school); major (arterial) roadways (not neighborhood streets), including Northfield Blvd., MLK Blvd, Havana improvements, Central Park Blvd (except the bridge over I-70), Westerly Creek Greenway and other City parks, open space and trail systems; Central Park Recreation Center; public art throughout Central Park; and Central Park fire stations. Sam Gary Library? (awaiting answer)
2. What are the major remaining projects that are expected to be completed with TIF funds before 2025?
Regional Parks North of 56th Ave, Landscaping on MLK
3. Are there regional infrastructure projects you expect will need to be built with WCMD funds after 2025?
No
4. What are examples of local infrastructure paid for by WCMD revenue?
Neighborhood streets, street monumentation, medians and landscaping. (wet utilities under those streets/alleys), pools/local parks, alleys, pocket parks.
5. What local infrastructure projects are projected to remain to be built after 2025?
We currently *anticipate/project* all local infrastructure will be built prior to 2025.
6. Approximately what percent of the total mill levy goes for maintenance and operating costs of Park Creek and Westerly Creek? 3%

7. What percent of the tax revenue is used to pay for debt service? 97%
8. What percent for infrastructure?
Effectively 97% because all debt service revenue is applied to repay costs of financing/completing public infrastructure in CP not funded by TIF.
9. Is this the attached PCMD—Annual Report dated Sept. 1, 2020ThT most current PCMD report ?
“Annual Information Report for the 2020 Calendar Year” posted on DOLA’s website with “Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund for the year ended Dec.31, 2019” (p. 36 of the PDF).
Yes, pending completion of the 2020 fiscal year audit.
10. What is the current amount of debt?
Awaiting the answer from PCMD
11. Given the info in the annual report listed above, the first debts to be paid off will be in 2041 and 2044. Will the tax go down in increments as debts those are paid off?
No because the bond indentures require that the 48.5 debt service mill levy (as adjusted for changes in the statutory assessment rate) be imposed until all bonds are repaid and discharged.
12. Is the final debt payoff in 2051, as listed in the above report?
Correct as currently projected pending further analysis in the Series 2020 Post Issuance Report now being prepared.
13. What is the projection for the WCMD tax rate that will remain after all the debt is paid?
Awaiting answer from WCMD.
14. What will it be used for (clarifying here that the WCMD tax in Central Park will have ongoing expenditures and will never go away completely)?
Awaiting answer from WCMD.
15. Once regional infrastructure is complete, is maintenance taken over by the City of Denver even before 2025?
Yes, following the expiration of warranty periods (2-3 years after completion) and transfer to and acceptance by the City.
16. On Jan. 25, this was posted on FitchRatings.com. What does this mean and what are its implications?
Awaiting the answer from PCMD
RATING ACTION COMMENTARY
Fitch Withdraws Ratings on Park Creek Metropolitan District, CO Ser 2016B Rev Bonds
<https://www.fitchratings.com/research/us-public-finance/fitch-withdraws-ratings-on-park-creek-metropolitan-district-co-ser-2016b-rev-bonds-25-01->

2021

17. Has PCMD been able to take advantage of the current low interest rates?
Yes—bonds and developer obligations have been refinanced at much lower interest rates with significant present value savings to CP taxpayers and reduced annual debt service expenses resulting in earlier repayment of all PCMD bonds and developer obligations.
18. What is the future of WCMD/PCMD relationship? Is there a plan for when PCMD would end and there would just be WCMD?
PCMD will be dissolved following completion of all public infrastructure improvements, repayment of all developer obligations, finalization and approval of a bond repayment plan, and the transfer of all administrative and operational responsibilities to WCMD.