

MEMORANDUM

TO: Mayor Jones and Members of the Board

FROM: Karen Proctor, Town Administrator

DATE: August 16, 2018

RE: Dissolution Agreement

DISCUSSION:

On June 18th, 2018 the 2006 General Obligation Special Revenue Bonds for the Foxfield Metropolitan District No. 1 were paid in full. The District does not have any outstanding financial obligations and does not provide any services within or outside of its boundaries. Therefore, the Board of Directors of the District desires to dissolve the District. The ESTIP agreement between the District and the Town of Foxfield should terminate with the dissolution.

The attached agreement is the Town's consent to the dissolution of the District.

RECOMMENDED MOTION: *"I move to approve the Dissolution Agreement between the Town of Foxfield and the Foxfield Metropolitan District No.1".*

ATTACHMENTS:

Dissolution Agreement

DISSOLUTION AGREEMENT

THIS DISSOLUTION AGREEMENT (“Dissolution Agreement”) is entered into and effective the ___ day of August, 2018, by and between the TOWN OF FOXFIELD, a statutory municipality and subdivision of the State of Colorado (the “Town”), and the FOXFIELD METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) (the Town and the District are referred to collectively herein as the “Parties”).

WHEREAS, the District is a duly organized metropolitan district, organized pursuant to the Special District Act, Section 32-1-101, et seq., C.R.S., located entirely within the boundaries of the Town; and

WHEREAS, the Board of Directors of the District desire to dissolve the District consistent with the provisions of Section 32-1-701, et seq., C.R.S., and

WHEREAS, on June 18, 2018, the District paid in full its outstanding Series 2006 General Obligation Special Revenue Bonds (the “Bonds”), and as of the date of this Dissolution Agreement the District does not have any outstanding financial obligations or bonds and does not provide any services within or without its boundaries; and

WHEREAS, the Parties previously entered into that certain Enhanced Sales Tax Incentive Program Agreement on May 18, 2006 (the “ESTIP Agreement”) generally to reimburse the District for costs paid to construct certain public improvements; and

WHEREAS, Section 2.e of the ESTIP Agreement provides, in part, that the ESTIP Agreement is to automatically terminate as follows: “The maximum period of time that this Agreement shall be in effect is twenty (20) years from the Commencement Date or until the bonds (or refundings thereof) issued to pay for the PPRP are paid-off, whichever occurs last, at which time this Agreement shall automatically terminate; provided however that in no event shall this Agreement extend longer than December 1, 2044 and in no event shall the amount credited to the CIF hereunder exceed \$15,000,000;” and

WHEREAS, the payments under the ESTIP Agreement were further approved by the registered electors of the Town at the November 4, 2003 election; and

WHEREAS, as further set forth herein, the Parties agree the ESTIP Agreement should terminate upon the dissolution of the District; and

WHEREAS, as further set forth herein, the Town agrees to consent to the dissolution of the District.

NOW THEREFORE, in consideration of the foregoing recitals, the ESTIP Agreement, and the agreements, covenants, and undertakings set forth herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Recitals. The above recitals are hereby incorporated as if fully set forth herein.
2. Consent to Dissolution. The Town hereby consents to the dissolution of the District consistent with the provisions of Section 32-1-701, et seq., C.R.S.
3. Termination of ESTIP Agreement. The Parties hereby agree that the Bonds have been paid in full, and thus the primary purpose of the ESTIP Agreement has been satisfied, and that the ESTIP Agreement shall further automatically terminate upon the dissolution of the District, which dissolution shall occur upon the entry of a court order dissolving the District pursuant to Section 32-1-701, et seq., C.R.S.; provided, the termination of the ESTIP Agreement and the utilization of any funds segregated by the Town pursuant to the ESTIP Agreement prior to its termination shall be handled in accordance with the terms of ESTIP Agreement.
4. Disposition of District's Remaining Funds. The Parties agree that any District funds remaining upon dissolution of the District, excepting any funds necessary to complete the dissolution process, will be transferred to the Town consistent with Section 32-1-708, C.R.S.
5. Severability. It is understood and agreed by the Parties that if any part, term, or provision of this Dissolution Agreement is held by the courts to be illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or provisions shall not be affected, the rights and obligations of the parties shall be construed and enforced as if the Dissolution Agreement did not contain the particular part, term, or provision held to be invalid, and the Parties shall cooperate to cure any legal defects.
6. Governing Law. The laws of the State of Colorado shall govern the validity, performance and enforcement of this Dissolution Agreement. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that venue of such suit or action shall be in Arapahoe County, Colorado.
7. No Personal Liability. No elected official, director, officer, agent or employee of the Parties shall be charged personally or held contractually liable under any term or provision of this Dissolution Agreement, or because of any breach thereof or because of its or their execution, approval or attempted execution of this Dissolution Agreement.
8. Counterparts; Signatures. This Dissolution Agreement may be executed in multiple counterparts; all counterparts so executed shall constitute one agreement binding upon all parties, notwithstanding that all parties are not signatories to the original or the same counterpart. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Dissolution Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.
9. Headings. The section headings contained in this Dissolution Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Dissolution Agreement.

DN 3185317.1

TOWN OF FOXFIELD, COLORADO

By: _____
Lisa Jones, Mayor

ATTEST:

By: _____
Randi Gallivan, Town Clerk

APPROVED AS TO FORM:

Corey Y. Hoffman, Town Attorney

FOXFIELD METROPOLITAN DISTRICT NO. 1

By: _____
Mark E. DeRose, President

ATTEST:

By: _____
John Jagger, Assistant Secretary



July 30, 2018

ServiceStar Development Company
c/o Molly Dixon
8231 East Prentice Avenue
Greenwood Village, CO 80111

Re: Foxfield Metropolitan District No. 1
General Obligation Special Revenue Bonds
Series 2006, Dated: June 25, 2006
Account Numbers: 135729 / 1996

Dear Molly,

This is confirmation that the Series 2006 General Obligation Special Revenue Bonds for the Foxfield Metropolitan District No. 1 were paid in full on June 18, 2018. The balance has been reduced to \$0.00 and there are no further obligations for the District to pay interest and principal on these Series 2006 Bonds.

If you have any questions, please contact me at jonathan.fernandez@umb.com or 303-764-3607.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jonathan Fernandez".

Jonathan Fernandez
Assistant Vice President

UMB Bank

1670 Broadway
Denver, Colorado 80202

303.869.1300
303.764.3699 Fax

umb.com

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