

RESOLUTION NO. _____ - 17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE OF DEBT BY THE ALLISON VALLEY METROPOLITAN DISTRICT NO. 1 IN THE FORM OF LIMITED TAX GENERAL OBLIGATION LOANS

WHEREAS, by Resolution No. 9-06, the City Council approved the Special District Policy on January 24, 2006, a City Financial Policy Regarding the Use of Districts (the "Policy"), providing for certain financial and other limitations in the use of special districts as an available method in financing public infrastructure; and

WHEREAS, pursuant to the provisions of Title 32, Colorado Revised Statutes, and pursuant to proper notice having been provided as required by law, the City Council held a public hearing and approved a Consolidated Amended and Restated Service Plan (the "Service Plan") for the Allison Valley Metropolitan District Nos. 1 and 2 (the "Districts") by Resolution No. 87-15 adopted on September 8, 2015; and

WHEREAS, both the Policy and the District Service Plan require that prior to the District issuing bonds or similar indebtedness, it must first obtain City Council approval of the proposed issue subject to City Council's review of such indebtedness for compliance with the District Service Plan and all applicable laws; and

WHEREAS, the Allison Valley Metropolitan District No. 1 (the "District") has submitted for review, and City Council has reviewed, certain debt instrument documents, including a term sheet for Series 2017 Limited Tax General Obligation Loans in a principal amount up to \$16,500,000.00 draft loan resolutions, draft loan agreements, a preliminary opinion of the District's general counsel, and an external advisor letter (the "Loan Documents"); and

WHEREAS, City Council considered the Loan Documents as well as all other testimony and evidence presented at the February 14, 2017 City Council meeting; and

WHEREAS, the District, having presented evidence that it has satisfied the conditions of approval and other District Service Plan prerequisites, requests approval of the issuance of indebtedness in a structure substantially similar to and consistent with the Loan Documents.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. The above and foregoing recitals are incorporated herein by reference and are adopted as findings and determinations of the City Council.

Section 2. In reliance on the information presented by the District, Council hereby finds that the issuance of indebtedness by the District in a structure substantially similar to and consistent with the Loan Documents complies with the Service Plan and all

applicable laws.

Section 3. Issuance of indebtedness by the District in the form of Limited Tax General Obligation Loans in the combined principal amount of up to \$16,500,000.00 in a structure substantially similar to and consistent with the Loan Documents, subject to minor changes and revisions as may be approved by City staff, is hereby approved; provided, however, that such indebtedness shall be solely an obligation of the District, and the City shall have no liability or other responsibility therefor.

Section 4. The approvals contained herein shall be effective for a maximum of one (1) year from the date of this Resolution. If the District desires to issue this debt any time after February 14, 2018 a new City Council approval will be required.

Section 5. This Resolution shall be effective upon its approval by City Council.

DATED at Colorado Springs, Colorado, this 14th day of February, 2017.

Council President

ATTEST:

Sarah Johnson, City Clerk