

RESOLUTION NO. \_\_\_\_\_ - 18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE OF DEBT BY THE CANYON CREEK METROPOLITAN DISTRICTS IN THE FORM OF A CAPITAL PLEDGE AGREEMENT

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 the formation and service plan of the Canyon Creek Metropolitan District Nos. 1-3 ("the Districts") Resolution No. 127-08 adopted on October 14, 2008; and

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

WHEREAS, the Districts have submitted for review, and City Council has reviewed, various related debt instrument documents, including draft Capital Pledge Agreement by Canyon Creek Metropolitan District Nos. 2 and 3 ("the Pledge Districts"), a term sheet associated with the pledge agreement, a preliminary opinion of the Districts' general counsel, (the "Pledge Agreement Documents"); and

WHEREAS, City Council considered the Pledge Agreement Documents as well as all other testimony and evidence presented at the March 13, 2018 City Council meeting; and

WHEREAS, the Districts, having presented evidence that they have satisfied the conditions of approval and other Service Plan prerequisites, requests approval of the issuance of indebtedness in a structure substantially similar to and consistent with the Pledge Agreement 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 Districts, Council hereby finds that the issuance of indebtedness by the Pledge Districts in a structure substantially similar

to and consistent with the Pledge Agreement Documents complies with the service plan and all applicable laws.

Section 3. Issuance of indebtedness by the Pledge Districts in the form of a Capital Pledge Agreement, as further described in the Pledge Agreement Documents is hereby approved provided, however, that such indebtedness shall be solely an obligation of the Districts, and the City shall have no liability or other responsibility therefore.

Section 4. The issuance of debt in a structure substantially similar to and consistent with the Pledge Agreement Documents, subject to minor changes and revisions as may be approved by City staff, is hereby approved.

Section 5. The approvals contained herein shall be effective for a maximum of one (1) year from the date of this Resolution. If the Districts desire to issue this debt any time after March 13, 2019 a new City Council approval will be required.

Section 6. This Resolution shall be effective upon its approval by City Council.

DATED at Colorado Springs, Colorado, this 13th day of March 2018.

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Council President

ATTEST:

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Sarah Johnson, City Clerk