

RESOLUTION NO. _____ - 18

A RESOLUTION AUTHORIZING ISSUANCE OF DEBT BY THE BANNING LEWIS RANCH NO. 5 METROPOLITAN DISTRICT IN THE FORM OF LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2018A IN THE ESTIMATED PRINCIPAL AMOUNT OF \$6,440,000, SERIES 2018B SUBORDINATE CASH FLOW BONDS IN AN AMOUNT ESTIMATED TO BE \$1,030,000, AND SERIES 2018C JUNIOR SUBORDINATE CASH FLOW BONDS IN AN AMOUNT ESTIMATED TO BE \$1,826,000, AND RESCINDING RESOLUTION NO. 107-18

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 original formation and service plan for the Banning Lewis Ranch Metropolitan Districts Nos. 1-7 by Resolution No. 162-05 adopted on September 13, 2005; and

WHEREAS, pursuant to the provisions of Title 32, Colorado Revised Statutes, and pursuant to proper notice having been provided as required by law, City Council approved an amended and restated consolidated service plan (the "Service Plan") for Banning Lewis Ranch Metropolitan Districts Nos. 1-5 and 7 (the "Districts") by Resolution No. 52-08 adopted on March 11, 2008; and

WHEREAS, pursuant to the provisions of Title 32, Colorado Revised Statutes, and pursuant to proper notice having been provided as required by law, City Council approved a minor amendment of the Service Plan (Resolution No. 118-09 adopted on May 26, 2009), which clarified the maximum debt authorization for each of the Districts; and

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

WHEREAS, the Banning Lewis Ranch Metropolitan District No. 5 (the "District") has submitted for review, and City Council has reviewed, various related debt instrument documents, including term sheets and draft indentures and preliminary opinions of the District's general counsel and external financial advisor, for limited tax general obligation bonds, Series 2018A in the estimated aggregate principal amount of \$6,440,000, Series 2018B Subordinate Cash Flow Bonds in an Amount Estimated to be \$1,030,000 and Series 2018C Junior Subordinate Cash Flow Bonds in an Amount Estimated to be \$1,826,000 (the "Bond Documents"); and

WHEREAS, City Council considered the Bond Documents as well as all other testimony and evidence presented at the October 9, 2018 City Council meeting; and

WHEREAS, the District, having presented evidence that it has 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 Bond 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 Bond 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 bonds, subordinate cash flow bonds and junior subordinate cash flow bonds, in the approximate aggregate principal amount of \$9,296,000 as further described in the Bond Documents 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 therefore.

Section 4. The issuance of debt in a structure substantially similar to and consistent with the Bond 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 District desires to issue this debt any time after October 9, 2019 a new City Council approval will be required.

Section 6. Resolution No. 107-18 as approved by City Council on October 9, 2018 is hereby rescinded.

Section 7. This Resolution shall be effective upon its approval by City Council.

DATED at Colorado Springs, Colorado, this ____ day of _____ 2018.

Council President

ATTEST:

Sarah Johnson, City Clerk