

RESOLUTION NO. \_\_\_\_\_ - 17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE OF DEBT BY THE COLORADO CROSSING METROPOLITAN DISTRICT NO. 2 IN THE FORM OF LIMITED PROPERTY TAX SUPPORTED REVENUE BONDS AND BY COLORADO CROSSING METROPOLITAN DISTRICT NOS. 1 AND 3 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 a Consolidated Service Plan ("the Service Plan") for the Colorado Crossing Metropolitan District Nos. 1-3 (the "Districts") by Resolution No. 126-06 adopted on August 22, 2006; and

WHEREAS, on October 25, 2016 City Council approved an amendment of the Service Plan; 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 debt subject to City Council's 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, certain debt instrument documents, including a draft term sheet, draft bond resolution for the proposed Colorado Crossing Metropolitan District No. 2 ("District No. 2") Series 2017 Limited Property Tax Supported Revenue Bonds, draft indenture of trust, the proposed Capital Pledge Agreement among the Districts (the "Pledge Agreement"), and a preliminary opinion of the District's general counsel (collectively, the "Bond Documents"); and

WHEREAS, City Council considered the Bond Documents as well as all other testimony and evidence presented at the May 9, 2017 City Council meeting; and

WHEREAS, the Districts, having presented evidence that it has satisfied the conditions of approval and other District Service Plan prerequisites, request approval of the issuance of indebtedness in a structure substantially similar to and consistent with the Bond Documents, in an amount not to exceed a principal amount of \$15,000,000.

**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 Districts in a structure substantially similar to and consistent with the Bond Documents complies with the Service Plan as amended and all applicable laws.

Section 3. Issuance of indebtedness by the Districts in the form of (1) District No. 2 Limited Property Tax Supported Revenue Bonds in the combined principal amount of up to \$15,000,000.00 in a structure substantially similar to and consistent with the Bond Documents, and (2) the Capital Pledge Agreement in substantially the form presented, both 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 Districts, 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 Districts desire to issue this debt any time after May 9, 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 9th day of May, 2017.

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Council President

ATTEST:

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Sarah Johnson, City Clerk