

RESOLUTION NO. _____ - 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO AUTHORIZING PEAK METROPOLITAN DISTRICT NO. 3 TO ISSUE DEBT IN THE FORM OF LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2022A-1 AND LIMITED TAX GENERAL OBLIGATION CONVERTIBLE CAPITAL APPRECIATION BONDS, SERIES 2022A-2 IN AN AMOUNT NOT TO EXCEED \$109,000,000 FOR PROPERTIES IN THE AIRPORT BUSINESS PARK

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 a service plan (the "Service Plan") for the Peak Metropolitan District Nos. 1-3 (the "Districts") by Resolution No. 95-18 on August 28, 2018, and Districts were subsequently created; 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 of such indebtedness for compliance with the Service Plan and all applicable laws; and

WHEREAS, the District has submitted for review, and City Council has reviewed, various related debt instrument documents, including draft bond indentures, term sheets, and a preliminary opinion of the District's general counsel, (the "Bond Documents"); and

WHEREAS, City Council considered the Bond Documents as well as all other testimony and evidence presented at the July 26, 2022 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 approximately \$69,600,000 of Limited Tax General Obligation Bonds, Series 2022A-1 and approximately \$29,391,643 of Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2022A-2, 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 combined par amount of the Series A-1 and Series A-2 bonds shall not exceed \$109,000,000.

Section 5. Both the Series A-1 and Series A-2 bonds shall be structured to have an optional redemption date of no more than seven (7) years from the date of original issuance

Section 6. 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 7. 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 July - 26, 2023 a new City Council approval will be required.

Section 8. This Resolution shall be effective upon its approval by City Council.

DATED at Colorado Springs, Colorado, this ____ day of _____ 2022.

Council President

ATTEST:

Sarah Johnson, City Clerk