

RESOLUTION NO. _____ - 20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO AUTHORIZING COLORADO CROSSING METROPOLITAN DISTRICT NO. 2 TO ISSUE DEBT IN THE FORM OF SERIES 2020A-1, SERIES 2020A-2 AND SERIES 2020B-2 LIMITED TAX GENERAL OBLIGATION BONDS

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 Colorado Crossing Metropolitan District Nos. 1-3 (the "Districts") by Resolution No. 126-06 on August 22, 2006, and Districts were subsequently created; 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 an amendment of the Service Plan specifically increasing the combined aggregate maximum authorized indebtedness of the Districts from \$35,000,000 to \$50,000,000 (the "Third Amendment of the Service Plan") by Resolution No. ____-20 on November 10, 2020, and District was 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, draft pledge agreements, 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 November 10, 2020 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 \$23,400,000 of Limited Tax General Obligation Refunding Bonds, Series 2020A-1, approximately \$21,100,000 of Limited Tax General Obligation Bonds, Series 2020A-2, and approximately \$4,800,000 of Subordinate Limited Tax General Obligation Bonds, Series 2020B-2 (Limited Tax General Obligation Bonds, Series 2020, 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 Limited Tax General Obligation Bonds, Series 2020 shall not be issued in an aggregate amount that exceeds the Total Debt issuance Limitation of \$50,000,000 as set for in the Service Plan, as amended. As expressly set forth in the Service Plan, as amended, such limitation of \$50,000,000 is exclusive of refunding bonds, and therefore does not apply to any increase in principal amount of the Limited Tax General Obligation Refunding Bonds, Series 2020A-1 necessary to refund the currently outstanding Series 2017 Bonds.

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 November 10, 2021 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 10th day of November, 2020.

Council President

ATTEST:

Sarah Johnson, City Clerk