

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE OF DEBT BY THE BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 2 IN THE FORM OF UNLIMITED GENERAL OBLIGATION REFUNDING 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 a Consolidated Service Plan (the "2008 Service Plan") for the Banning Lewis Ranch Metropolitan District Nos. 1, 2, 3, 4, 5 and 7 (the "Districts") by Resolution No. 52-08 adopted on March 11, 2008; and

WHEREAS, on May 26, 2009, by Resolution 118-09, City Council amended the 2008 Service Plan ("2009 Service Plan Amendment"); and

WHEREAS, on November 8, 2016, City Council approved an Amendment to the District Service Plan ("2016 Service Plan Amendment") to allow for the refinancing of existing debt of the Banning Lewis Ranch Metropolitan District No. 2 (the "District") with an unlimited debt service mill levy (**Resolution \_\_\_\_-16**) (the 2008 Service Plan, 2009 Service Plan Amendment, and 2016 Service Plan Amendment are referred to collectively as the "District Service Plan"); and

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

WHEREAS, the District has submitted for review, and City Council has reviewed, certain debt instrument documents, including a term sheet for unlimited general obligation refunding bonds in a principal amount up to \$10,780,000, a draft indenture, 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 8, 2016 City Council meeting; and

WHEREAS, the District, having presented evidence that it has satisfied the conditions of approval and other District 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 District Service Plan and all applicable laws.

Section 3. Issuance of indebtedness by the District in the form of Unlimited General Obligation Refunding Bonds in the principal amount of up to \$10.780,000 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; 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 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 8, 2017 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 8th day of November, 2016.

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Council President

ATTEST:

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Sarah Johnson, City Clerk