

RESOLUTION NO. _____-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE OF GENERAL OBLIGATION LIMITED TAX REFUNDING BONDS BY THE BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3

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 by Resolution No. 52-08 adopted on March 11, 2008; 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 must review such indebtedness for compliance with the Service Plan and all applicable laws; and

WHEREAS, On October 27, 2015 City Council authorized the Banning Lewis Ranch Metropolitan District No. 3 ("the District") to issue bonds in a combined aggregate amount not to exceed 10,800,000 by Resolution No. 108-15; and

WHEREAS, the District has submitted for review, and City Council has reviewed, various related debt instrument documents, including a draft copy of a Bond resolution authorizing refunding bonds in an aggregate principal amount of \$10,000,000, a term sheet, financial projection, 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 October 27, 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 Resolutions.

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. The Bond Documents authorizing bond in a combined principal amount not to exceed \$11,000,000 as described in the Bond Documents are hereby approved provided, however, that the indebtedness evidenced by the Bond Documents shall be solely an obligation of the District, and the City shall have no liability or other responsibility therefore.

Section 4. The Bonds including any refundings thereof or subsequent bond issuances by the District, shall be fully discharged on or before December 31, 2053 and the District's debt service mill levy shall not be certified beyond tax year 2053 (certified in 2052) unless the majority of the District board is comprised of residents of the District and City Council approval is granted in advance.

Section 5. 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 6. 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 these bonds any time after October 27, 2021, a new City Council approval will be required.

DATED at Colorado Springs, Colorado, this 27th day of October 2020.

Richard Skorman, Council President

ATTEST:

Sarah Johnson, City Clerk