

RESOLUTION NO. 38 - 12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE BY THE WOODMEN HEIGHTS METROPOLITAN DISTRICT NO. 1 OF SENIOR TAX-SUPPORTED REVENUE REFUNDING BONDS, SERIES 2012A; SUBORDINATE CONVERTIBLE CAPITAL APPRECIATION TAX-SUPPORTED REVENUE REFUNDING BONDS, SERIES 2012B; AND SECOND SUBORDINATE TAX-SUPPORTED REVENUE REFUNDING BONDS, SERIES 2012C, WITH THE RELATED BOND DOCUMENTS

WHEREAS, 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 service plan of the Woodmen Heights Metropolitan Districts No. 1-3 (the "Districts") by Resolution No. 178-04 adopted on August 10, 2004; and

WHEREAS, City Council has subsequently approved an Amended and Consolidated Plan for the Districts ("Service Plan") consistent with the Policy, by Resolution No. 144-07 adopted on August 14, 2007; and

WHEREAS, on October 25, 2005, City Council authorized issuance of Series A bonds in an amount not to exceed \$31,000,000 ("2005 Bonds"), by Resolution No. 195-05 and the District subsequently issued these bonds in an amount of \$29,820,000 on or about November 2005; and

WHEREAS, the District desires to refinance the 2005 Bonds and other current obligations of the District; and

WHEREAS, Woodmen Heights Metropolitan District No. 1 (the "District") desires to undertake a total of three (3) related bond issues including Series 2012A Senior Tax-Supported Revenue Refunding Bonds for \$6,700,000 at 6.0% interest, Series 2012B Subordinate Convertible Capital Appreciation Tax-Supported Revenue Refunding Bonds for \$24,011,548 at 7.3% interest, and Series 2012C Second Subordinate Tax-Supported Revenue Refunding Bonds for \$6,139,878 at 3.0% interest; and

WHEREAS, both the Policy and the Districts' service plan require that prior to the District issuing bonds, it must first obtain City Council approval of the proposed issue and City Council's review to ensure compliance with the service plan and all applicable laws; and

WHEREAS, the District has submitted for review, and the City Council has reviewed, various bond documents, including the Bond Resolutions (the "Bond Documents"); and

WHEREAS, the District, having satisfied the conditions of approval and other service plan prerequisites, requests approval of the proposed bond issues; and

WHEREAS, the City Council has considered the proposed bond issue as well as all other testimony and evidence presented at the February 28, 2012 City Council meeting; and

WHEREAS, it appears to the City Council that the proposed bond issues should be approved as provided in this Resolution.

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. The proposed bond issues as described in the Bond Documents are hereby approved provided, however, that the bonds shall be solely an obligation of the District, as appropriate; and the City shall have no liability or other responsibility therefore, and receipt of the form disclosure is further acknowledged and approved.

Section 3. The District, having stated it is in compliance with the service plan, is hereby authorized to issue bonds in the structure substantially similar and consistent with the Bond Documents, which are hereby approved subject to changes and revisions as may be approved by City staff.

Section 4. Without prior approval of City Council, the District is specifically prohibited from assessing future fees on end-user resident property owners for the purpose of servicing these bond issues.

Section 5. As required by the Policy and stipulated in the Service Plan, the Maximum Debt Service Mill Levy Imposition Term for District No. 2 shall be 40 (forty) years. Therefore, no debt service mill levy shall be certified for District No. 2 beyond December 31, 2045 until and unless prior City Council approval is granted

Section 6. This approval 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 February 28, 2013, a new City Council approval will be required.

Section 7. This resolution shall be effective upon its approval by City Council.

Dated at Colorado Springs, Colorado, this 28th day of February 2012.

  
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Scott Hente, Council President

ATTEST:

  
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Cindy N. Conway, Interim City Clerk