

RESOLUTION NO. _____ - 20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING THE ISSUANCE OF DEBT BY THE WOODMEN HEIGHTS METROPOLITAN DISTRICT NO. 2 IN THE FORM OF A Series 2020A REFINANCING LOAN, A SERIES 2020B-1 TAXABLE BOND AND A SERIES 2020B-2 TAX-EXEMPT BOND

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 consolidated service plan for the Woodmen Heights Metropolitan District Nos. 1-3 (the "Districts") by Resolution No. 17-04; and

WHEREAS, on August 14, 2007 City Council held a public hearing and approved a First Amendment of the Service Plan for the Districts ("Service Plan") by Resolution No. 144-07; and

WHEREAS, on March 13, 2012, City Council held a public hearing and approved a Minor Amendment of the Service Plan for the Districts by Resolution No. 49-12; 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, Woodmen Heights Metropolitan District No. 2 ("the District") has submitted for review, and City Council has reviewed, various related debt instrument documents, including term sheets, draft loan and bond resolutions, revenue model, and preliminary opinion of the District's general counsel for a general obligation limited tax refunding loan and two subordinate general obligation limited tax refunding bonds in an aggregate principal (par) amount of approximately \$49,574,000 (the "Bond Documents"); and

WHEREAS, City Council considered the Bond Documents as well as all other testimony and evidence presented at the September 22, 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 General Obligation Limited Tax Refunding Loan, Series 2020A, General Obligation Limited Tax Refunding Bonds, Series 2020B-1, and General Obligation Limited Tax Refunding Bonds, Series 2020B-2 (together "the Loan and Bonds") , 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 Loan and Bonds, including any refundings thereof or subsequent debt issuances by the District, shall be fully discharged on or before December 1, 2045 or December 15, 2045 respectively and the District's debt mill levy shall not be certified beyond tax year 2045 (certified in 2044) 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 this debt any time after September 22, 2021 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 _____ day of _____ 2020.

Council President

ATTEST:

Sarah Johnson, City Clerk