

RESOLUTION NO. 36-2007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENSON, APPROVING THE PROCEEDINGS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF BENSON AND ITS ISSUANCE OF EDUCATION REVENUE BONDS (21ST CENTURY CHARTER SCHOOL PROJECT) SERIES 2007 IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FOUR MILLION DOLLARS (\$4,000,000) AND THE EXECUTION AND DELIVERY BY THE AUTHORITY OF AN INDENTURE OF TRUST, A LOAN AGREEMENT, AND A BOND PURCHASE AGREEMENT, TOGETHER WITH RELATED DOCUMENTS, AND DECLARING AN EMERGENCY

WHEREAS, the City of Benson (the "City") has heretofore approved the incorporation of the Industrial Development Authority of the City of Benson (the "Authority"); and

WHEREAS, the Authority has by Resolution (the "Resolution") authorized the issuance and sale of its education revenue bonds (21st Century Charter School Project) Series 2007 in an aggregate principal amount of not to exceed Four Million Dollars (\$4,000,000) (the "Bonds"), for the purpose of (i) financing and/or refinancing the acquisition, construction, improvement, maintaining, equipping, and furnishing of an approximately two (2) acre site and thirty-three thousand (33,000) square feet of charter school facilities located at 525 E. Costilla Street, Colorado Springs, Colorado, to be leased to 21st Century Charter School at Colorado Springs, a nonprofit Colorado corporation that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (the "Charter School"), (ii) fund certain reserves, and (iii) pay issuance expenses related to the Bonds (the "Project"); and

WHEREAS, the Industrial Development Financing Act, Arizona Revised Statutes, Title 35, Chapter 5, Section 35-701, as amended (the "Act"), requires that the proceedings of the Authority pursuant to which the Authority proposes to issue Bonds, be approved by the governing body (the "City"); and

WHEREAS, the proceedings of the Authority together with relevant documents have been made available to the Benson City Council, together with the aforementioned Resolution of the Authority; and

WHEREAS, the City Council has been informed that the Bond documents have been reviewed by competent Special Tax Counsel, and said Special Tax Counsel has determined that said documents adequately meet applicable tax requirements; and

WHEREAS, this City Council has had presented to it information regarding the aforescribed financing together with information regarding the TEFRA public hearing held by the Authority in compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and deems it appropriate to approve the proceedings of the Authority and its issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BENSON, ARIZONA, AS FOLLOWS:

Section 1. The issuance of the Bonds by the Authority as set forth in the form of the proceedings of the Authority presented to this meeting and the execution and delivery of the bond documents is hereby approved by the City in accordance with the requirements of the Act and of Section 147(f) of the Code, as the applicable elected representative.

Section 2. All Resolutions or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 3. It is necessary for the preservation of the peace, health, and safety of the City of Benson that this Resolution becomes immediately effective, and, accordingly, an emergency is hereby declared to exist, and this Resolution shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the City Council of the City of Benson this 10th day of September, 2007.

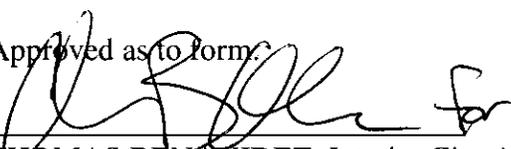
CITY OF BENSON



MARK M. FENN, Mayor



VICKI VIVIAN, City Clerk

Approved as to form:


THOMAS BENAVIDEZ, Interim City Attorney