

RESOLUTION NO. 40-25

A RESOLUTION DECLARING THE INTENT OF THE CITY OF GRAND JUNCTION, COLORADO TO DELEGATE TO THE COLORADO HOUSING AND FINANCE AUTHORITY THE AUTHORITY TO ISSUE BONDS USING 2023 AND 2024 PRIVATE ACTIVITY BOND VOLUME CAP IN SUPPORT OF THE ASCENT AT THE SALT FLATS PROJECT; AND AUTHORIZING A DELEGATION AGREEMENT IN CONNECTION THEREWITH

RECITALS.

WHEREAS, pursuant to the Private Activity Bond Ceiling Act, constituting Title 24, Article 32, Part 17, Colorado Revised Statutes (the "Allocation Act"), Grand Junction, Colorado (the "City") has available (i) for use in 2025 and 2026 private activity bond volume cap in the amount of \$4,031,651 from 2023, and (ii) for use in 2025, 2026 and 2027 private activity volume cap remaining from in the amount of \$4,253,193 from 2024, all of which it elected to carry forward pursuant to Section 146(f) of the Internal Revenue Code of 1986, as amended (the "Tax Code"), for "qualified residential rental projects" (the "Carryforward Allocation"); and

WHEREAS, all of the Carryforward Allocation remains unused and is available for use in 2026 and 2025, and 2025, 2026 and 2027, respectively; and

WHEREAS, the Colorado Housing and Finance Authority ("CHFA") has requested that the City delegate to CHFA its powers to issue revenue bonds using the Carryforward Allocation to finance housing facilities for low- and middle-income families and persons; and

WHEREAS, for purposes of Section 146 of the Tax Code, the City has agreed to delegate to CHFA its powers to issue revenue bonds using up to \$8,284,844 (consisting of all of up to \$4,031,651 from 2023 and \$4,253,193 from 2024) of the Carryforward Allocation to finance housing facilities for low- and middle-income families; and has determined that it is necessary or desirable to provide for the utilization of all or a portion of the Carryforward Allocation for the use of Brikwell Developers for the purpose of financing the Ascent at the Salt Flats Project in Grand Junction, CO ("Project").

WHEREAS, CHFA and the City are both authorized by law to assist in the financing of housing facilities for low- and middle-income families and persons to the end that decent, safe and sanitary dwelling accommodations for such families and persons may be provided, and to issue bonds evidencing such; and Section 18 of Article XIV of the Colorado Constitution and Part 2 of Article 1 of Title 29, Colorado Revised Statutes, authorize the County to delegate to CHFA the authority to act as the County's agent to issue bonds for such purpose; and

WHEREAS, it is necessary to authorize the execution by the City of a Delegation Agreement between CHFA and the City (the "Delegation Agreement").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

Section 1. The City hereby authorizes the delegation of authority to CHFA to utilize up to \$8,284,844 of the City's Carryforward Allocation for the Project. If the Project does not proceed, these funds may be used for another similar project, to be determined by CHFA, with a preference for projects located in Grand Junction, Colorado.

Section 2. The form, terms and provisions of the Delegation Agreement hereby are approved and the Council President and City Manager and City Attorney of the City hereby are authorized and directed to execute (via manual or electronic signature) deliver the Delegation Agreement, with such changes therein as are approved by the Council President or other appropriate officers of the City executing the Delegation Agreement. The execution of the Delegation Agreement shall be conclusive evidence of the approval by the City of such document in accordance with the terms hereof.

Section 3. The City Manager is authorized to execute and deliver the final form of the Assignment of Allocation on behalf of the City and to take such other steps or actions necessary or reasonably required to carry out the terms and intent of this Resolution and the Delegation Agreement, including any amendments to the Delegation Agreement not inconsistent with this Resolution.

Section 4. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. All action not inconsistent with the provisions of this Resolution heretofore taken by the Board and the officers of the City directed toward the Carryforward Allocation and the authorization of the Delegation Agreement hereby are ratified, approved and confirmed.

Section 6. This Resolution shall be in full force and effect upon its passage and adoption.


(Remainder of page intentionally left blank)

PASSED, ADOPTED AND APPROVED this, July 16, 2025.

CITY COUNCIL OF THE CITY OF GRAND JUNCTION


Cody Kennedy, President of the Council

ATTEST:


Selestina Sandoval, City Clerk



DELEGATION AGREEMENT

This Delegation Agreement is made and entered as of July 16, 2025 between the CITY OF GRAND JUNCTION, COLORADO ("Grand Junction"), a public body corporate and politic of the State of Colorado (the "State"), and the COLORADO HOUSING AND FINANCE AUTHORITY ("CHFA"), a body corporate and a political subdivision of the State.

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this Delegation Agreement are the following:

(a) Grand Junction and CHFA are authorized by law to assist in the financing of housing facilities for low- and middle-income families and persons, and to issue bonds for such purpose.

(b) Section 18 of Article XIV of the Colorado Constitution and Part 2 of Article 1 of Title 29, Colorado Revised Statutes, authorize Grand Junction to delegate to CHFA the authority to act as Grand Junction's agent to issue bonds for such purpose.

(c) For purposes of Section 146 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), Grand Junction has remaining available (i) for use in 2025 and 2026 private activity bond volume cap remaining from 2023 in the amount of at least \$4,031,651, and (ii) for use in 2025, 2026 and 2027 private activity bond volume cap remaining from 2024 in the amount of at least \$4,253,193, all of which Grand Junction elected to carry forward pursuant to Section 146(f) of the Internal Revenue Code of 1986, as amended, for "qualified residential rental projects" (the "Carryforward Allocation"), all of which remains unused.

(d) Grand Junction desires to delegate to CHFA its powers to issue one or more series of revenue bonds, notes or other obligations (the "Bonds") using up to \$8,284,844 of such Carryforward Allocation (consisting of \$4,031,651 remaining from 2023 and \$4,253,193 remaining from 2024) (the "Delegated Cap") to be used to finance qualified residential rental projects.

(e) CHFA desires to accept such delegation.

(f) Neither the execution and delivery of this Delegation Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Delegation Agreement conflicts with or results in a breach of any of the terms, conditions or provisions of any legal restriction or any agreement or instrument to which Grand Junction or CHFA is now a party or by which Grand Junction or CHFA is bound, or constitutes a default under any of the foregoing.

2. Delegation by Grand Junction.

(a) Grand Junction hereby delegates to CHFA all authority of Grand Junction with respect to the issuance of the Bonds. Grand Junction acknowledges that, for federal income tax purposes, it will be the “issuer” of the Bonds, and authorizes CHFA to act as its agent and representative in effecting the issuance of the Bonds and to take all necessary or desirable action towards accomplishing that purpose, including without limitation completing, executing and filing any IRS Form 8038s required. Grand Junction acknowledges that the proceeds of the Bonds may be used anywhere in the State, not solely within the jurisdictional limits of Grand Junction.

(b) Grand Junction agrees that it will take such further action and adopt such further proceedings as may be required to implement the terms of this Delegation Agreement. Such further action will include, but is not necessarily limited to, the execution of a Federal Tax Exemption Certificate in connection with the issuance of the Bonds. In executing each such Certificate, Grand Junction will be entitled to review and exclusively rely upon the corresponding Federal Tax Exemption Certificate of CHFA.

3. Acceptance of Delegation by CHFA.

(a) CHFA hereby accepts the delegation granted to it by Grand Junction, subject to the terms and conditions herein contained.

(b) CHFA agrees that it will take such further action and adopt such further proceedings as may be required to implement the terms of this Delegation Agreement.

4. General Provisions.

(a) This Delegation Agreement is hereby declared irrevocable during the terms of any agreements to be entered into by CHFA for the purpose of providing for the issuance of the Bonds, and this Delegation Agreement shall terminate upon the termination of all of such agreements.

(b) This Delegation Agreement shall not constitute the debt or indebtedness of CHFA or Grand Junction within the meaning of the Constitution or laws of the State, nor give rise to a pecuniary liability or a charge against the general credit or taxing powers of CHFA or Grand Junction.

(c) This Delegation Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. To the fullest extent permitted by applicable law, facsimile, PDF or electronically transmitted signatures shall be treated as original signatures for all purposes hereunder.

(Signature page follows)

(Signature page to Delegation Agreement)

IN WITNESS WHEREOF, the parties hereto have entered into this Delegation Agreement as of the day and year first above written.

**THE CITY OF GRAND JUNCTION,
COLORADO**

By: _____


Cody Kennedy

President, City Council

**COLORADO HOUSING AND FINANCE
AUTHORITY**

By: _____

Steve Johnson

Chief Operating Officer