

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 128-07

A RESOLUTION AUTHORIZING ASSIGNMENT TO THE COLORADO HOUSING AND FINANCE AUTHORITY OF A PRIVATE ACTIVITY BOND ALLOCATION OF THE CITY OF GRAND JUNCTION PURSUANT TO THE COLORADO PRIVATE ACTIVITY BOND CEILING ALLOCATION ACT

RECITALS

The City of Grand Junction (the "City") is authorized and empowered under the laws of the State of Colorado (the "State") to issue revenue bonds for the purpose of providing single-family mortgage loans to low- and moderate-income persons and families.

The Internal Revenue Code of 1986, as amended (the "Code"), restricts the amount of tax-exempt bonds ("Private Activity Bonds") which may be issued in the State to provide such mortgage loans and for certain other purposes.

Pursuant to the Code, the Colorado legislature adopted the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes (the "Allocation Act"), providing for the allocation of the State Ceiling among the Colorado Housing and Finance Authority (the "Authority") and other governmental units in the State, and further providing for the assignment of such allocations from such other governmental units to the Authority.

Pursuant to an allocation under Section 24-32-1706 of the Allocation Act, City has an allocation of the 2007 State Ceiling for the issuance of a specified principal amount of Private Activity Bonds prior to September 15, 2007.

The City has determined that, in order to increase the availability of adequate affordable housing for low and moderate-income persons and families within the City and elsewhere in the State, it is necessary or desirable to provide for the utilization of all or a portion of the 2007 Allocation.

The City has also determined that the 2007 Allocation, or a portion thereof, can be utilized most efficiently by assigning it to the Authority to issue Private Activity Bonds for the purpose of providing single-family mortgage loans to low and moderate-income persons and families.

The City Council of the City has determined to assign \$2,100,435 of its 2007 Allocation to the Authority, which assignment is to be evidenced by an Assignment of Allocation between the City and the Authority (the "Assignment of Allocation").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City Grand Junction that:

1. The assignment to the Authority of \$2,100,435 of the City's 2007 Allocation be and hereby is approved.

2. The form and substance of the Assignment of Allocation is hereby approved. Furthermore, the City Manager, in consideration with the City Attorney, is hereby authorized to make such technical variations, additions or deletions in or to such Assignment of Allocation as she deems necessary or appropriate and not inconsistent with this Resolution.

3. The City Manager is authorized to execute and deliver the Assignment of Allocation on behalf of the City and to take such other steps or actions as may be necessary, useful or convenient to effect the aforesaid assignment in accordance with the terms and intent of this Resolution.

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.


5. This Resolution shall be in full force and effect upon its passage and approval or as otherwise required by home rule charter.

PASSED, ADOPTED AND APPROVED this 5th day of September, 2007.



President of the Council

ATTEST:



City Clerk

ASSIGNMENT OF ALLOCATION

This Assignment of Allocation (the "Assignment"), dated this 5th day of September, is between the **City of Grand Junction** (the "Assignor") and the Colorado Housing and Finance Authority (the "Assignee").

WITNESSETH:

WHEREAS, the Assignor and the Assignee are authorized and empowered under the laws of the State of Colorado (the "State") to issue revenue bonds for the purpose of providing single-family mortgage loans to low- and moderate-income persons and families; and

WHEREAS, per Resolution No. 128-07, the **City Council** of the Assignor has determined to assign to the Assignee \$2,100,435 of its 2007 Allocation, and the Assignee has agreed to accept such assignment, which is to be evidenced by this Assignment.

NOW, THEREFORE, in consideration of the premises and the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. The Assignor hereby assigns to the Assignee \$2,100,435 of its 2007 Allocation, subject to the terms and conditions contained herein. The Assignor represents that it has received no monetary consideration for said assignment.

2. The Assignee hereby accepts the assignment to it by the Assignor of \$2,100,435 of Assignor's 2007 Allocation, subject to the terms and conditions contained herein. The Assignee agrees to use its best efforts to issue and sell Revenue Bonds, in one or more series, and to make proceeds of such Revenue Bonds available from time to time during the period of two (2) years from the date of this Assignment for the purchase of mortgage loans in at least the aggregate amount of \$2,100,435 to finance single-family housing facilities located in the **City of Grand Junction**. Unless otherwise agreed to in writing, the mortgage loans will be subject to all applicable current requirements of Assignee's mortgage revenue bond program, including Assignee's income and purchase price limits.

3. The Assignor hereby consents to the election by the Assignee, if the Assignee in its discretion so decides, to treat all or any portion of the assignment set forth herein as an allocation for a project with a carryforward purpose.

4. The Assignor and Assignee each agree that it will take such further action and adopt such further proceedings as may be required to implement the terms of this Assignment.

5. Nothing contained in this Assignment shall obligate the Assignee to finance mortgage loans in any particular amount or at any particular interest rate or to use any particular percentage of the proceeds of its Revenue Bonds to provide mortgage loans to finance single-family housing facilities located in the **City of Grand Junction**.

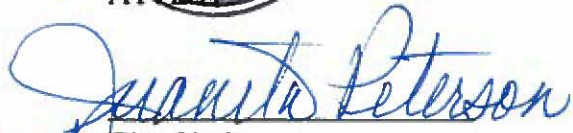
6. This Assignment is effective upon execution and is irrevocable.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment on the date first written above.



CITY OF GRAND JUNCTION

By: 
Laurie M. Kadrach
Title: City Manager


Deputy City Clerk



**COLORADO HOUSING AND FINANCE
AUTHORITY**

By: 
Executive Director

[SEAL]

ATTEST:

By: 
Assistant Secretary



chfa

financing the places where
people live and work

**NOTIFICATION OF ASSIGNMENTS OF
PRIVATE ACTIVITY BOND CEILING**

September 14, 2007

VIA HAND DELIVERY

Ms. Ann Watts
Colorado Department of Local Affairs
1313 Sherman Street, Room 518
Denver, Colorado 80203

1981 Blake Street
Denver, Colorado 80202

Dear Ms. Watts:

Pursuant to Section 24-32-1706(2) of the Colorado Private Activity Bond Ceiling Allocation Act, the Colorado Housing and Finance Authority ("Authority") and the City of Grand Junction ("City") hereby notify you of the City's assignment to the Authority of \$2,100,435 of its 2007 allocation of the State's private activity bond ceiling.

Enclosed for your records is a copy of the executed Assignment of Allocation (the "Assignment"). The Assignment includes the City's representation that it received no monetary consideration for the assignment and its consent to the Authority's allocation of all or any portion of the assigned amount to a project with a carryforward purpose.

Very truly yours,

Charles L. Borgman
General Counsel

cc: Juanita Peterson, City of Grand Junction ✓
Stanley M. Raine, Esq., Sherman & Howard, L.L.C.

Enclosures

colorado housing and finance authority

303.297.chfa (2432)

800.877.chfa (2432)
toll free

303.297.7305
tdd

www.chfainfo.com

September 10, 2007

Colorado Housing and Finance Authority
1981 Blake Street
Denver, Colorado 80202-1272

Gentlemen:

I am an attorney duly admitted to practice in the State of Colorado (the "State"). I have acted as general counsel for the City of Grand Junction, Colorado (the "City"). I represent the City in connection with the assignment by the City to the Colorado Housing and Finance Authority (the "Authority") of the City's allocation of the ceiling on private activity bonds which may be issued in the State during the period from January 1 to December 31, 2007 (the "2007 Allocation"), under Part 17 of Article 32 of Title 24 of the Colorado Revised Statutes (the "Allocation Act"). This assignment is being effected pursuant to a Resolution adopted by the City Council on September 5, 2007, and an Assignment of Allocation dated September 5, 2007 (the "Assignment of Allocation"), between the City and the Authority.

I have examined, among other things, a copy of the Resolution. I have also examined statutes and regulations as I deemed appropriate, including, without limitation, the charter of the City and such other documents as I have deemed necessary as a basis for the opinions hereinafter expressed. In the course of such examinations, I have assumed the genuineness of all signatures and the authenticity of all documents submitted to me as copies.

Based upon the foregoing, it is my opinion that:

1. The City of Grand Junction is a City validly existing under the Constitution and the laws of the State.
2. The City has full legal right, power and authority: (a) to assign its 2007 Allocation, or a portion thereof, in accordance with the Resolution and the Assignment of Allocation; (b) to adopt the Resolution; (c) to execute and deliver the Assignment of Allocation; and (d) to perform its obligations under the Resolution.

3. The adoption or the execution and delivery and the performance of the City of the Resolution and the Assignment of Allocation and the performance of the City's obligations thereunder have been duly authorized by the City, and each have been duly adopted or executed and delivered by the City, and each of them constitute valid and binding obligations of the City enforceable in accordance with its terms.

4. The adoption of the Resolution and the execution and delivery of the Assignment of Allocation and compliance with the terms, conditions and provisions of each thereof by the City will not conflict with or result in a breach or violation of any of the terms, conditions or provisions of the Constitution or the laws of the State, local ordinances, resolutions, charter, bylaws, or other regulations, or any other governmental authority of any nature whatsoever as now existing, or to the best of my knowledge, any agreement or instrument to which the City is now a party or by which it is bound, or constitute a default thereunder.

5. With respect to the 2007 Allocation, or a portion thereof, being assigned to the Authority pursuant to the Resolution and the Assignment of Allocation, the [City, Town or County] has not: (a) issued private activity bonds; (b) assigned the allocation to another "issuing authority" as such term is defined in the Allocation Act; (c) made a mortgage credit certificate election; or (d) treated the allocation as an allocation for a project with a carryforward purpose.

6. No approval, permit, consent or authorization applicable to the City and not already obtained by the City of any government or public agency, authority or person is required in connection with the adoption of the execution and delivery by the City of, and the performance by it of its obligations under, the Resolution and the Assignment of Allocation.

This opinion may be relied upon by: (i) the Authority's Bond Counsel in rendering its opinion in connection with the issuance by the Authority of revenue bonds; and (ii) each institution which may act as an underwriter of any such revenue bonds.

OFFICE OF THE CITY ATTORNEY



John P. Shaver
City Attorney

pc: Jodi Romero

STATE OF COLORADO

DEPARTMENT OF LOCAL AFFAIRS

1313 Sherman Street, Suite 521
Denver, Colorado 80203
Phone: (303) 866-2771
FAX: (303) 866-4819
TDD: (303) 866-5300



Bill Owens
Governor
Brian Vogt
Executive Director

December 27, 2006

Mr. Ron Lappi
Admin Svcs and finance director
City of Grand Junction
250 North 5th St
Grand Junction CO 81501

Dear Mr. Lappi:

City of Grand Junction- \$2,100,435

I hereby certify that the above amount will be allocated to the respective local government for the purpose of issuing Private Activity Bonds in 2007 under the state ceiling imposed by the Tax Reform Act of 1987.

A handwritten signature in black ink, appearing to read "Brian R. Vogt", written over a horizontal line.

Brian R. Vogt, Executive Director