

**CITY OF GRAND JUNCTION, COLORADO**

**RESOLUTION NO. 121-08**

**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 2008 State Ceiling for the issuance of a specified principal amount of Private Activity Bonds prior to September 15, 2008 ("2008 Allocation")

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 2008 Allocation.

The City has also determined that the 2008 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 \$2,194,318 of its 2008 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 \$2,194,318 of the City's 2008 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 3<sup>rd</sup> day of September, 2008.

/s/ Gregg Palmer  
President of the Council

ATTEST:

/s/ Stephanie Tuin  
City Clerk