

Grand Junction, Colorado

January 2, 1980

The City Council of the City of Grand Junction, Colorado, convened in regular session the 2nd day of January, 1980, in Council Chambers at City Hall. Those present were Council members Louis Brach, Frank Dunn, Robert Holmes, Karl Johnson, Bill O'Dwyer, and Jane Quimby. Councilman Dale Hollingsworth was absent. Also present were City Manager Jim Wysocki, City Attorney Gerald Ashby, and City Clerk Neva Lockhart.

Council President Jane Quimby called the meeting to order and led in the Pledge of Allegiance.

INVOCATION

Consideration of the Minutes for the regular meeting December 19, 1979, was deferred to January 16, 1980.

3.2% BEER - LICENSE RENEWALS FOR SAFEWAY STORES NO. 600 AND 602

Upon motion by Councilman Dunn, seconded by Councilman Brach and carried with Councilman HOLMES voting NO, the applications by Safeway Stores, Inc., to renew the 3.2 beer license at Store No. 600, 23rd and North Avenue, and Store No. 602, 644 North Avenue, were approved.

APPLICATION FOR CONDITIONAL USE AND APPLICATION BY RICHARD WAYNE AND BETTY JOE BROWN FOR HOTEL-RESTAURANT LIQUOR LICENSE AT 352 NORTH AVENUE, OASIS RESTAURANT

Continued from the Meeting December 19, 1979, was the conditional use application and the application by Richard Wayne and Betty Joe Brown for hotel-restaurant liquor license at the Oasis Restaurant, 352 North Avenue. Richard Brown was present with his counsel, David Palmer. Mr. Brown presented his proposal for the restaurant. He presented a lease for the parking lot that he has acquired from the Gay Johnson Corporation. Council requested that Mr. Brown acquire a lease with Gay Johnson's Corporation guaranteeing the requisite number of parking spaces.

A Resolution of findings and decision will be presented January 16, 1980.

ORDINANCE NO. 1860 - EASEMENT VACATION, 567 25-1/2 ROAD, MOOSE LODGE

Upon motion by Councilman O'Dwyer, seconded by Councilman Johnson and carried, the Proof of Publication to the following entitled proposed ordinance was accepted for filing: AN ORDINANCE VACATING AN EASEMENT IN THE CITY.

Upon motion by Councilman Holmes, seconded by Councilman Johnson

and carried, the proposed ordinance was called up for final passage and read.

There were no comments. Upon motion by Councilman Brach, seconded by Councilman O'Dwyer and carried by roll call vote, the Ordinance was passed, adopted, numbered 1860, and ordered published.

ORDINANCE NO. 1861 - REZONE FROM R-3 TO PR-20, 2146 COLLEGE PLACE

Upon motion by Councilman Johnson, seconded by Councilman O'Dwyer and carried, the Proof of Publication to the following entitled proposed ordinance was accepted for filing: AN ORDINANCE AMENDING THE ZONING MAP, A PART OF CHAPTER 32 OF THE CODE OF ORDINANCES OF THE CITY OF GRAND JUNCTION, BY CHANGING THE ZONING OF CERTAIN LANDS WITHIN THE CITY.

Upon motion by Councilman O'Dwyer, seconded by Councilman Holmes and carried, the proposed ordinance was called up for final passage and read.

There were no comments. Upon motion by Councilman O'Dwyer, seconded by Councilman Holmes and carried by roll call vote, the Ordinance was passed, adopted, numbered 1861, and ordered published.

ORDINANCE NO. 1862 - ROAD VACATION, 809 NORTH 1ST STREET

Upon motion by Councilman Johnson, seconded by Councilman Holmes and carried, the Proof of Publication to the following entitled proposed ordinance was accepted for filing: AN ORDINANCE VACATING A ROADWAY WITHIN THE CITY OF GRAND JUNCTION.

Upon motion by Councilman Dunn, seconded by Councilman O'Dwyer and carried, the proposed ordinance was called up for final passage and read.

There were no comments. Upon motion by Councilman Brach, seconded by Councilman Dunn and carried by roll call vote, the Ordinance was passed, adopted, numbered 1862, and ordered published.

ORDINANCE NO. 1863 - CHANGING THE NAMES OF CERTAIN STREETS WITHIN THE CITY (FALLS SUBDIVISION FILING NO. ONE)

Upon motion by Councilman Dunn, seconded by Councilman O'Dwyer and carried, the Proof of Publication to the following entitled proposed ordinance was accepted for filing: AN ORDINANCE CHANGING THE NAMES OF CERTAIN STREETS WITHIN THE CITY OF GRAND JUNCTION.

Upon motion by Councilman Holmes, seconded by Councilman Johnson and carried, the proposed ordinance was called up for final passage and read.

There were no comments. Upon motion by Councilman Dunn, seconded by Councilman Holmes and carried by roll call vote, the Ordinance

was passed, adopted, numbered 1863, and ordered published.

PETITION - RESOLUTION - PROPOSED ORDINANCE - FLYNN ANNEXATION, NE CORNER 29 ROAD AND NORTH AVENUE

The petition for Flynn Annexation, located on the NE corner of 29 Road and North Avenue, was accepted for filing. The following Resolution was read:

RESOLUTION

WHEREAS, on the 2nd day of January, 1980, a petition was submitted to the City Council of the City of Grand Junction, Colorado, for annexation to said City of the following property situate in Mesa County, Colorado, and described as follows:

Beginning at the Southwest Corner of Section 8, Township 1 South, Range 1 East, Ute Meridian; thence East 269 feet, thence North 310 feet, thence West 269 feet, thence South to beginning and beginning 269 feet East of the Southwest Corner of said Section 8, thence North 310 feet, thence East 110 feet, thence South 310 feet, thence West to beginning; also North Avenue right of way on South;

and

WHEREAS, the Council has found and determined and does hereby find and determine that said petition is in substantial compliance with statutory requirements therefore; that one-sixth of the perimeter of the area proposed to be annexed is contiguous with the City; that a community of interest exists between the territory and the City; that the territory proposed to be annexed is urban or will be urbanized in the near future; that the said territory is integrated or is capable of being integrated with said City, and that no election is required under the Municipal Annexation Act of 1965 as the owner of one hundred percent of the property has petitioned for annexation.

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

That the said territory is eligible for annexation to the City of Grand Junction, Colorado, and should be so annexed by Ordinance.

PASSED and ADOPTED this 2nd day of January, 1980.

President of the Council

Attest:

City Clerk

Upon motion by Councilman Johnson, seconded by Councilman Holmes and carried by roll call vote, the Resolution was passed and adopted as read.

The following entitled proposed ordinance was read: AN ORDINANCE ANNEXING TERRITORY TO THE CITY OF GRAND JUNCTION, COLORADO. Upon motion by Councilman Dunn, seconded by Councilman Brach and carried, the proposed ordinance was passed for publication.

RESOLUTION OF INDUCEMENT ADOPTED CONCERNING INDUSTRIAL REVENUE BONDS FOR DAYTON-HUDSON CORP. (TARGET)

After hearing presentations by the vice-president of the investment firm of Dane Bosworth, Inc. headquartered in Denver, Colorado, and Minneapolis, Minnesota, and by John Rogers, Director of Corporate Financing with Dayton-Hudson Corporation representing Target stores, the following Resolution was read:

RESOLUTION

RESOLUTION RELATING TO THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS; GIVING PRELIMINARY APPROVAL TO A PROJECT UNDER THE COUNTY AND MUNICIPALITY DEVELOPMENT REVENUE BOND ACT AND THE ISSUANCE OF REVENUE BONDS TO DEFRAY THE COSTS THEREOF AND AUTHORIZING THE PREPARATION OF NECESSARY DOCUMENTS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, as follows:

Section 1. Recitals.

1.01. The legislature of the State of Colorado, in the County and Municipality Development Revenue Bond Act, Title 29, Article 3, Colorado Revised Statutes 1973, as amended (the Act) has found and declared it to be a public purpose for municipalities to promote industry and develop trade or other economic activity by inducing profit or non-profit corporations, federal governmental offices, hospitals, and agricultural, manufacturing, industrial, commercial, or business enterprises to locate, expand, or remain in this State, to mitigate the serious threat of extensive unemployment in parts of this State, to secure and maintain a balanced and stable economy in all parts of this State, and to further the use of its agricultural products or natural resources.

1.02. In furtherance of the foregoing purposes, the legislature has authorized municipalities to issue revenue bonds under the Act for the purpose of defraying the cost of financing, acquiring, improving, and equipping any "project" including any land, building, or other improvement and all real or personal properties, whether or not in existence, suitable or used for or in connection with commercial enterprises, including, without limitation, enterprises engaged in storing, warehousing,

distributing, selling or transporting any products of agriculture, industry, commerce manufacturing or business; to enter into a "financing agreement" with the user of the project for the purpose of providing revenues to pay the bonds so authorized; and to secure the payment of such bonds as provided in the Act.

1.03. Pursuant to the authority of the Act, it has been proposed that the City issue its revenue bonds in an amount sufficient to defray the cost of financing, acquiring, improving, and equipping certain real and personal properties near the City to be used by Dayton-Hudson Corporation, a Minnesota corporation (the Company), as a retail sales facility and related facilities (the Project), to enter into a financing agreement with the Company, pursuant to which the Company will agree to pay the City amounts sufficient to pay when due the principal of, premium, if any, and interest on the revenue bonds and to cause the Project to be constructed. The Project is presently estimated to cost approximately \$5,250,000.

1.04. The existence of the Project would promote the sound economic growth of the State of Colorado and the City of Grand Junction, would provide increased opportunities for employment for residents of the City and surrounding area and would further the public purposes set forth in Section 1.01 hereof. The Project is located near the City limits of the City, within eight miles from the nearest point of its corporate limits.

1.05. The City has been advised that conventional, commercial financing to pay the capital cost of the Project is available only on a limited basis and at such high costs of borrowing that the economic feasibility of operating the Project would be significantly reduced, but with the aid of municipal financing, and its resulting low borrowing costs, the Project is economically more feasible.

1.06. This Council has been advised by Dain Bosworth Incorporated that revenue bonds of the City could be issued and sold upon favorable rates and terms to finance the Project.

1.07. The Project constitutes a "project" as defined in Section 29-3-103(10) of the Act.

Section 2. Approvals and Authorizations.

2.01. On the basis of the information given the City to date, it appears that it is in the best interest of the City for the City to issue its industrial development revenue bonds under the provisions of the Act to finance all or part of the costs of the Project.

2.02. The Project is hereby given preliminary approval by the City and the issuance of revenue bonds for such purpose and in an amount sufficient to pay project costs but not to exceed \$5,500,000 approved, subject to approval by this Council of the necessary legal documents and of the approval by the purchasers of

the bonds as to the details of the bond issue and provisions for their payment.

2.03. Prior to or simultaneously with the issuance of the bonds, the City will enter into a financing agreement with the Company with respect to the Project. The financing agreement shall provide for payment by the Company to the City of such revenues as will be sufficient to pay the principal of, premium, if any, and interest on the revenue bonds, to build up and maintain any reserves deemed advisable by this Council in connection therewith, and to pay the costs of maintaining the Project in good repair and keeping it properly insured, unless the financing agreement obligates the Company to pay for the maintenance of and insurance on the Project.

2.04. The President of the Council, City Clerk, City Attorney and other officers, employees and agents of the City are hereby authorized, to initiate and assist in the preparation of such documents as may be appropriate to the Project.

Section 3. Special Obligations.

In all events, it is understood, however, that the principal of and interest on the revenue bonds issued to finance the Project shall be payable solely out of the revenues derived from the financing of the Project. The bonds and interest coupons, if any, appurtenant thereto shall never constitute the debt or indebtedness of the City within the meaning of any provision or limitation of the State Constitution, statutes, or home rule charter, and shall not constitute nor give rise to a pecuniary liability of the City or charge against its general credit or taxing powers. Such limitation shall be plainly stated on the fact of each bond.

PASSED and ADOPTED this 2nd day of January, 1980.

President of the Council

Attest:

City Clerk

Upon motion by Councilman Holmes, seconded by Councilman Dunn and carried by roll call vote, the Resolution was passed and adopted as read.

RESOLUTION OF INDUCEMENT ADOPTED CONCERNING INDUSTRIAL REVENUE BONDS FOR MODERN MERCHANDIZING, INC. (LABELLE)

After a similar presentation by the vice-president of Dane

Bosworth, Inc., for Modern Merchandizing, Inc., representing LaBelle, the following Resolution was read:

RESOLUTION

RESOLUTION RELATING TO THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS; GIVING PRELIMINARY APPROVAL TO A PROJECT UNDER THE COUNTY AND MUNICIPALITY DEVELOPMENT REVENUE BOND ACT AND THE ISSUANCE OF REVENUE BONDS TO DEFRAY THE COSTS THEREOF AND AUTHORIZING THE PREPARATION OF NECESSARY DOCUMENTS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, as follows:

Section 1. Recitals.

1.01. The legislature of the State of Colorado, in the County and Municipality Development Revenue Bond Act, Title 29, Article 3, Colorado Revised Statutes 1973, as amended (the Act) has found and declared it to be a public purpose for municipalities to promote industry and develop trade or other economic activity by inducing profit or non-profit corporations, federal governmental offices, hospitals, and agricultural, manufacturing, industrial, commercial, or business enterprises to locate, expand, or remain in this State, to mitigate the serious threat of extensive unemployment in parts of this State, to secure and maintain a balanced and stable economy in all parts of this State, and to further the use of its agricultural products or natural resources.

1.02. In furtherance of the foregoing purposes, the legislature has authorized municipalities to issue revenue bonds under the Act for the purpose of defraying the cost of financing, acquiring, improving, and equipping any "project" including any land, building, or other improvement and all real or personal properties, whether or not in existence, suitable or used for or in connection with commercial enterprises, including, without limitation, enterprises engaged in storing, warehousing, distributing, selling or transporting any products of agriculture, industry, commerce, manufacturing or business; to enter into a "financing agreement" with the user of the project for the purpose of providing revenues to pay the bonds so authorized; and to secure the payment of such bonds as provided in the Act.

1.03. Pursuant to the authority of the Act, it has been proposed that the City issue its revenue bonds in an amount sufficient to defray the cost of financing, acquiring, improving, and equipping certain real and personal properties near the City to be used by Modern Merchandizing, Inc., a Minnesota corporation (the Company), as a retail sales and warehouse facility and related facilities (the Project), to enter into a financing agreement with the Company, pursuant to which the Company will agree to pay the City amounts sufficient to pay when due the principal of, premium, if any, and interest on the revenue bonds and to cause the Project to be constructed. The Project is presently estimated to cost

approximately \$3,000,000.

1.04. The existence of the Project would promote the sound economic growth of the State of Colorado and the City of Grand Junction, would provide increased opportunities for employment for residents of the City and surrounding area and would further the public purposes set forth in Section 1.01 hereof. The Project is located near the City limits of the City, within eight miles from the nearest point of its corporate limits.

1.05. The City has been advised that conventional, commercial financing to pay the capital cost of the Project is available only on a limited basis and at such high costs of borrowing that the economic feasibility of operating the Project would be significantly reduced, but with the aid of municipal financing, and its resulting low borrowing costs, the Project is economically more feasible.

1.06. This Council has been advised by Dain Bosworth Incorporated that revenue bonds of the City could be issued and sold upon favorable rates and terms to finance the Project.

1.07. The Project constitutes a "project" as defined in Section 29-3-103(10) of the Act.

Section 2. Approvals and Authorizations.

2.01. On the basis of the information given the City to date, it appears that it is in the best interest of the City for the City to issue its industrial development revenue bonds under the provisions of the Act to finance all or part of the costs of the project.

2.02. The Project is hereby given preliminary approval by the City and the issuance of revenue bonds for such purpose and in an amount sufficient to pay project costs but not to exceed \$3,500,000 approved, subject to approval by this Council of the necessary legal documents and of the approval by the purchasers of the bonds as to the details of the bond issue and provisions for their payment.

2.03. Prior to or simultaneously with the issuance of the bonds, the City will enter into a financing agreement with the Company with respect to the Project. The financing agreement shall provide for payment by the Company to the City of such revenues as will be sufficient to pay the principal of, premium, if any, and interest on the revenue bonds, to build up and maintain any reserves deemed advisable by this Council in connection therewith, and to pay the costs of maintaining the Project in good repair and keeping it properly insured, unless the financing agreement obligates the Company to pay for the maintenance of and insurance on the Project.

2.04. The President of the Council, City Clerk, City Attorney and

other officers, employees and agents of the City are hereby authorized to initiate and assist in the preparation of such documents as may be appropriate to the Project.

Section 3. Special obligations.

In all events, it is understood, that the principal of and interest on the revenue bonds issued to finance the Project shall be payable solely out of the revenues derived from the financing of the Project. The bonds and interest coupons, if any, appurtenant thereto shall never constitute the debt or indebtedness of the City within the meaning of any provision or limitation of the State Constitution, statutes, or home rule charter, and shall not constitute nor give rise to a pecuniary liability of the City or charge against its general credit or taxing powers. Such limitation shall be plainly stated on the face of each bond.

PASSED and ADOPTED this 2nd day of January, 1980.

President of the Council

Attest:

City Clerk

Upon motion by Councilman Brach, seconded by Councilman Holmes and carried by roll call vote, the Resolution was passed and adopted as read.

AIRPORT BOARD MEETINGS

Councilman Holmes advised there will be Airport Board work sessions at noon on January 9th and 17th and the regular evening meeting on January 24th.

ADJOURNMENT

The President adjourned the meeting.

Neva B. Lockhart

Neva B. Lockhart, CMC
City Clerk