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## NOTIFICATION OF ASSIGNMENTS OF PRIVATE ACTIVITY BOND CEILING

September 14, 2016

### VIA E-MAIL

Ms. Ann Watts  
Colorado Department of Local Affairs  
Division of Housing  
1313 Sherman Street, Room 320  
Denver, Colorado 80203

1981 Blake Street  
Denver, CO 80202

Dear Ms. Watts:

303.297.chfa (2432)

800.877.chfa (2432)  
toll free

303.297.7305  
tdd

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 \$3,092,350 of its 2016 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.

Sincerely,

Melissa Nuccio  
Paralegal

348 Main Street  
Grand Junction, CO 81501

970.241.2341

800.877.8450  
toll free

cc: Jodi Romero, City of Grand Junction (Via E-mail)  
Stanley M. Raine, Esq., Sherman & Howard, L.L.C. (Via E-mail)  
Cory G. Kalanick, Esq., Sherman & Howard, L.L.C. (Via E-mail)  
Charles K. Knight, CHFA (Via E-mail)

Enclosures

colorado housing and finance authority

CERTIFICATE OF THE CITY OF GRAND JUNCTION, COLORADO  
CONCERNING ASSIGNMENT OF  
PRIVATE ACTIVITY BOND VOLUME CAP ALLOCATION

I, the undersigned, hereby certify that I am a duly chosen, qualified and City Attorney of the City of Grand Junction, Colorado (the "City"), and that:

1. The City is a public body politic and corporate, duly organized and existing under the constitution and laws of the State of Colorado.

2. The City has been previously notified that, pursuant to Section 24-32-1706 of the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes (the "Allocation Act"), it has an allocation of the State ceiling (as defined in the Allocation Act) for 2016 in the amount of \$3,092,350 (the "2016 Allocation").

3. Attached hereto as Exhibit A is a true and correct copy of a resolution and the related minutes thereto (the "Resolution") authorizing the assignment to the Colorado Housing and Finance Authority (the "Authority") of all or a portion of the 2016 Allocation in an amount equal to \$3,092,350 (the "Assigned Allocation"), and authorizing the execution and delivery of an Assignment of Allocation dated as of September 29<sup>th</sup>, 2016 (the "Assignment of Allocation") between the City and the Authority in connection therewith, which Resolution was duly adopted by the City Council of the City (the "City Council") at a meeting thereof held on Sept. 07, 2016, at which meeting a quorum was present and acting throughout and which Resolution has not been revoked, rescinded, repealed, amended or modified and is in full force and effect on the date hereof.

4. The meeting of the City Council at which action has been taken with respect to the Assignment of Allocation was a regular meeting properly called and open to the public at all times.

5. With respect to the Assigned Allocation, the City has not heretofore: (a) issued private activity bonds; (b) assigned the Assigned Allocation to another "issuing authority," as defined in the Allocation Act; (c) made a mortgage credit certificate election; or (d) treated the Assigned Allocation as an allocation for a project with a carryforward purpose, as defined in the Allocation Act.

6. The Assignment of Allocation, attached hereto as Exhibit B, is in the form presented to and approved by the City Council at the meeting thereof held on Sept. 07, 2016.

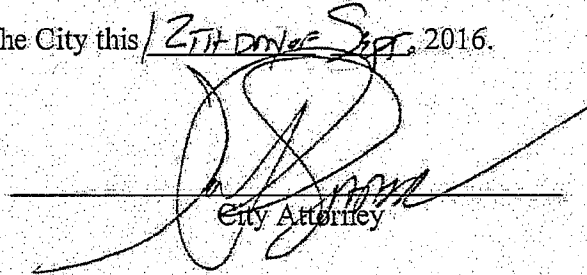
7. On or before the date hereof, counterparts of the Assignment of Allocation were officially executed by the Mayor and the City Clerk of the City. On the date of such signing, such persons were the duly sworn, qualified and acting officers of the City authorized to execute the Assignment of Allocation and holding the offices of the Mayor and City Clerk, respectively.

8. The City has authorized the execution, delivery and due performance of the Assignment of Allocation, and the execution and delivery of the Assignment of Allocation and the compliance by the City with the provisions thereof, will not, to the best of my knowledge, conflict with or constitute on the part of the City a breach of or a default under any existing Colorado law, City resolution, court or administrative regulation, decree or order or any agreement or other instrument to which the City is subject or by which it is bound.

9. To the best of my knowledge, there does not exist any action, suit, proceeding or investigation pending, or threatened against the City, contesting (a) the corporate existence of the City, (b) the title of its present officers or any of them to their respective offices, including, without limitation, the members of the City Council, (c) the validity of the Assignment of Allocation or (d) the power of the City to execute, deliver or perform the Assignment of Allocation.

10. No referendum petition has been filed concerning the Resolution, and to the best of my knowledge none is being circulated or planned for circulation.

WITNESS my hand and the seal of the City this 21th day of Sept. 2016.

  
City Attorney

(SEAL)

CITY OF GRAND JUNCTION

RESOLUTION NO. 40-16

A RESOLUTION CLARIFYING AND CORRECTING RESOLUTION 04-16 CONCERNING  
ASSIGNMENT OF THE PRIVATE ACTIVITY BOND ALLOCATION OF GRAND  
JUNCTION, COLORADO PURSUANT TO THE COLORADO PRIVATE ACTIVITY BOND  
CEILING ALLOCATION ACT

RECITALS:

On January 20, 2016 the City Council adopted Resolution 04-16, a copy of which is attached and incorporated by this reference as if fully set forth, authorizing the allocation of the assignment of \$3,092,350 of the City's 2016 allocation ("Allocation") or a portion thereof, for the issuance of Private Activity Bonds for the purpose of financing one or more multi-family rental housing projects for low and moderate income persons and families or to issue Private Activity Bonds for the purpose of providing single-family mortgage loans to low and moderate-income persons and families.

With Resolution 04-16 the Allocation was made to the *Authority*, which reference was intended to be the Grand Junction Housing Authority ("GJHA"); however, Resolution 04-16 refers to the Colorado Housing and Finance Authority ("CHFA") as the *Authority* instead of the GJHA. But for the imprecise reference, the GJHA could have assigned the Allocation to CHFA; however, CHFA has requested the Council clarify the recipient of the Allocation with this Resolution.

For a number of reasons which are not relevant to the need for or purpose of this Resolution, the GJHA was not able to use the Allocation and recommends that the Allocation be assigned to CHFA for use for qualifying housing projects elsewhere in the State. In order for the Allocation to be assigned to CHFA the City must act by September 15, 2016.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The assignment of the City's 2016 Allocation to the Colorado Housing and Finance Authority (CHFA) is hereby approved.
2. The form and substance of the Assignment of Allocation provided for in Resolution 04-16 are hereby ratified; provided, however, that the City Manager and City Attorney are authorized to make such technical variations, additions or deletions in or to such Assignment of Allocation as they shall deem necessary or

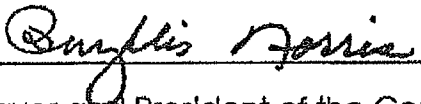
appropriate and not inconsistent with Resolution 04-16 as the same is corrected and clarified by this Resolution.

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 as may be necessary, useful or convenient to effect the aforesaid assignment in accordance with the intent of Resolution 04-16 as corrected and clarified by this Resolution.

4. This resolution shall be in full force and effect upon its passage and approval.

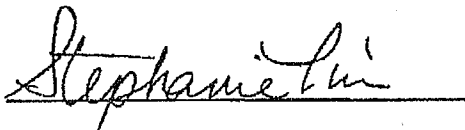
PASSED, ADOPTED AND APPROVED this 7<sup>th</sup> day of September 2016.

CITY COUNCIL OF THE CITY OF GRAND JUNCTION

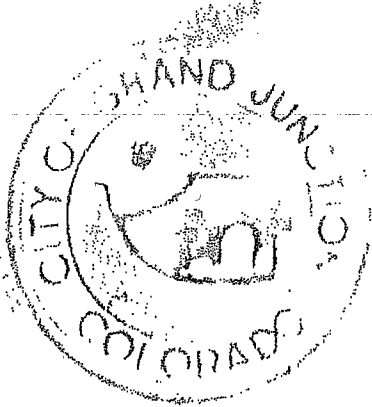


Mayor and President of the Council

ATTEST:



City Clerk



RESOLUTION NO. 04-16

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

RECITALS:

The City of Grand Junction, Colorado ("City") is authorized and empowered under the laws of the State of Colorado ("State") to issue revenue bonds for the purpose of financing qualified residential rental projects for low- and moderate-income persons and families. The City is also authorized and empowered 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 ("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 and pursuant to the Code, the State adopted the Colorado Private Activity Bond Ceiling Allocation Act, C.R.S. 24-32-17 (the "Allocation Act") providing for the allocation of the ceiling among the Colorado Housing and Finance Authority ("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 the City has an allocation of the 2016 Ceiling for the issuance of a specified principal amount of Private Activity Bonds (the "2016 Allocation"). The City has determined that, in order to increase the availability of adequate affordable housing for low and moderate-income persons and families it is necessary or desirable to provide for the utilization of all or a portion of the 2016 Allocation before September 15, 2016.

With the Resolution the City has determined that the 2016 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 financing one or more multi-family rental housing projects for low and moderate-income persons and families or to issue Private Activity Bonds for the purpose of providing single-family mortgage loans to low and moderate-income persons and families ("Revenue Bonds") or for the issuance of mortgage credit certificates. By, through and with this Resolution the City Council of the City of Grand Junction, Colorado has determined to assign \$3,092,350 of its 2016 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 THAT:

1. The assignment to the Authority of \$3,092,350 of the City's 2016 Allocation is hereby approved.

2. The form and substance of the Assignment of Allocation are hereby approved; provided, however, that the Interim City Manager and City Attorney are authorized to make such

technical variations, additions or deletions in or to such Assignment of Allocation as they shall deem necessary or appropriate and not inconsistent with the approval thereof by this resolution.

3. The Interim 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 as may be necessary, useful or convenient to effect the aforesaid assignment in accordance with the 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.

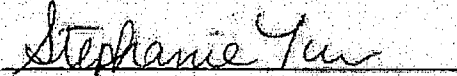
PASSED, ADOPTED AND APPROVED this 20<sup>th</sup> day of January, 2016.

CITY COUNCIL OF THE  
CITY OF GRAND JUNCTION



Phyllis Norris  
Mayor and President of the Council

ATTEST:

  
Stephanie Tuin  
City Clerk

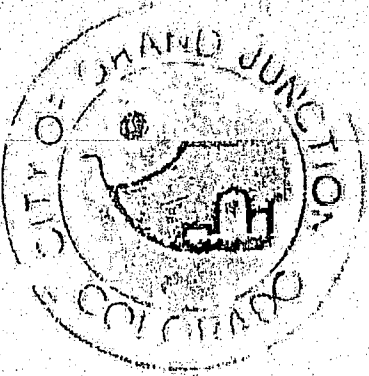


EXHIBIT B  
ASSIGNMENT OF ALLOCATION





## assignment of allocation - city

### Multifamily Housing Facility Bonds/Single Family Mortgage Revenue Bonds

This Assignment of Allocation (the "Assignment"), dated this 14 day of September 2016, is between the City of Grand Junction Colorado (the "Assignor" or the "Jurisdiction") 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 financing qualified residential rental projects for low- and moderate-income persons and families; and

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, 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 finance such projects and for certain other purposes (the "State Ceiling"); and

WHEREAS, 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 Assignee and other governmental units in the State, and further providing for the assignment of allocations from such other governmental units to the Assignee; and

WHEREAS, pursuant to an allocation under Section 24-32-1706 of the Allocation Act, the Assignor has an allocation of the 2016 State Ceiling for the issuance of a specified principal amount of Private Activity Bonds prior to September 15, 2016, (the "2016 Allocation"); and

WHEREAS, the Assignor has determined that, in order to increase the availability of adequate affordable rental housing for low- and moderate-income persons and families within the Jurisdiction, Colorado and elsewhere in the State, it is necessary or desirable to provide for the utilization of all or a portion of the 2016 Allocation; and

WHEREAS, the Assignor has determined that the 2016 Allocation, or a portion thereof, can be utilized most efficiently by assigning it to the Assignee to issue Private Activity Bonds for the purpose of financing one or more multifamily rental housing projects for low- and moderate-income persons and families or to issue Private Activity Bonds for the purpose of providing single-family mortgage loans to low- and moderate-income persons and families ("Revenue Bonds"), and the Assignee has expressed its willingness to attempt to issue Revenue Bonds with respect to the 2016 Allocation assigned herein; and

WHEREAS, the City Council of the Assignor has determined to assign to the Assignee all or a portion of its 2016 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 \$ 3,092,350 of its 2016 Allocation [the "Assigned 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 the Assigned Allocation, subject to the terms and conditions contained herein. The Assignee agrees to use its best efforts to issue and sell Revenue Bonds in an aggregate principal amount equal to or greater than the Assigned Allocation, in one or more series, and to make proceeds of such Revenue Bonds available from time to time for a period of two (2) years from the date of this Assignment to finance multi-family rental housing projects located in the Jurisdiction, or to issue Revenue Bonds for the purpose of providing single-family mortgage loans to low- and moderate income persons and families in the Jurisdiction.

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 Assigned Allocation as an allocation for a project with a carryforward purpose or to make a mortgage credit certificate election, in lieu of issuing Revenue Bonds.

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 any particular multi-family rental housing project located in the Jurisdiction or elsewhere or to finance single-family 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 or mortgage credit certificates to finance single-family housing facilities in the Jurisdiction, provided that any Revenue Bond proceeds attributable to the Assigned Allocation shall be subject to paragraph 2 above.

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

[SEAL]

By: [Signature]  
Name: Jodi Powers  
Title: FINANCIAL OPERATIONS DIRECTOR

ATTEST:

By: [Signature]  
Name: Janet Harrell  
Title: Acting Deputy Clerk



[SEAL]

COLORADO HOUSING AND FINANCE  
AUTHORITY

ATTEST:

By: [Signature]  
Assistant Secretary

By: [Signature]  
Name: Patricia Hippe  
Title: CFO