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**CITY COUNCIL AGENDA  
WEDNESDAY, OCTOBER 17, 2012  
250 NORTH 5<sup>TH</sup> STREET  
6:30 P.M. – PLANNING DIVISION CONFERENCE ROOM  
7:00 P.M. – REGULAR MEETING – CITY HALL AUDITORIUM**

*To become the most livable community west of the Rockies by 2025*

**Call to Order**  
(7:00 p.m.)

Pledge of Allegiance  
Moment of Silence

**\*\*\*Presentation/Recognition**

September Yard of the Month

**Proclamation**

Proclaiming November 2012 as “Decide to Drive” Month in the City of Grand Junction

**Appointment**

To the Grand Junction Housing Authority

**Certificates of Appointment**

To the Planning Commission and Zoning Board of Appeals

*Revised October 18, 2012*

*\*\* Indicates Changed Item*

*\*\*\* Indicates New Item*

*® Requires Roll Call Vote*

**REVISED**

**Council Comments**

Resolution No. 40-12–A Resolution Supporting Ballot Question 5B on the November 6, 2012 General Election Ballot (Mosquito Control District Question) [Attachment](#)

*®Action: Adopt Resolution No. 40-12*

**Citizen Comments****\*\*\* CONSENT CALENDAR \*\*\***

1. **Minutes of Previous Meeting** [Attach 1](#)

*Action: Approve the Minutes of the October 3, 2012 Regular Meeting*

2. **Setting a Hearing to Rezone Property Located at 2674 Patterson Road from R-4 (Residential 4 du/ac) to R-O (Residential Office)** [File #RZN-2012-408] [Attach 2](#)

A request to rezone 0.635 acres, located at 2674 Patterson Road, from R-4 (Residential 4 du/ac) zone district to R-O (Residential Office) zone district.

Proposed Ordinance Rezoning Property Located at 2674 Patterson Road from R-4 (Residential 4 du/ac) to R-O (Residential Office)

*Action: Introduction of a Proposed Ordinance and Set a Hearing for November 7, 2012.*

Staff presentation: Senta Costello, Senior Planner

3. **Setting a Hearing on an Ordinance Regarding the Issuance of Downtown Development Authority (DDA) Tax Increment Revenue Bonds and Pledge the Tax Increment Revenues of the City for Payment of the Bonds – Series 2012 A and 2012 B** [Attach 3](#)

On April 3, 2007, a majority of qualified voters within the boundaries of the Grand Junction, Colorado Downtown Development Authority (DDA) authorized the City to issue bonds or other indebtedness for the purpose of financing certain capital improvements within the DDA's "Plan of Development" area. The voters also authorized the pledge of tax increment funds for payment of the bonds. The City Council is authorized by the City Charter to authorize the issuance of such tax increment revenue bonds and now desires to cause the bonds to be issued, to

authorize and direct the application of the proceeds, and to provide security for the payment.

Proposed Ordinance Authorizing the Issuance of (A) the City of Grand Junction, Colorado, Downtown Development Authority, Tax-Exempt Tax Increment Revenue Bonds, Series 2012A, and (B) the City of Grand Junction, Colorado, Downtown Development Authority, Taxable Tax Increment Revenue Bonds, Series 2012B; Pledging the Tax Increment Revenues of the City for the Payment of Such Bonds; and Related Matters

*Action: Introduction of a Proposed Ordinance and Set a Hearing for November 7, 2012.*

Staff presentation: John Shaver, City Attorney  
Jay Valentine, Internal Services Manager

**\* \* \* END OF CONSENT CALENDAR \* \* \***

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**\* \* \* ITEMS NEEDING INDIVIDUAL CONSIDERATION \* \* \***

4. **Public Hearing—Rohner Annexation and Zoning, Located at 249 Abraham Avenue** [File #ANX-2012-374] [Attach 4](#)

A request to annex one parcel, 0.44 acres, located at 249 Abraham Avenue, to an R-4 (Residential – 4 units) zone district. The Rohner Annexation area is 1.63 acres, containing 51,595 square feet of public right-of-way.

Resolution No. 41-12–A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Rohner Annexation Located at 249 Abraham Avenue and Including a Portion of the 29 Road and B ½ Road Right of Way is Eligible for Annexation

Ordinance No. 4555–An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Rohner Annexation, Approximately 1.63 Acres, Located at 249 Abraham Avenue and Including a Portion of the 29 Road and B ½ Road Right of Way

Ordinance No. 4556–An Ordinance Zoning the Rohner Annexation to R-4 (Residential – 4 Units), Located at 249 Abraham Avenue

*®Action: Adopt Resolution No. 41-12 and Hold a Public Hearing and Consider Final Passage and Final Publication in Pamphlet Form of Ordinance Nos. 4555 and 4556*

Staff presentation: Lori V. Bowers, Senior Planner

5. **Contract Amendment #1 for Architectural Services for the Avalon Theatre Addition and Renovation** [Attach 5](#)

This request is to amend the architectural services contract for the Avalon Theatre Addition and Renovation by \$392,800. To date, Westlake, Reed, Leskosky (WRL) has completed the 50% design work for the build-out of the Avalon Theatre Master Plan. The improvements will help transform the 91 year old theatre into a full service performing arts center. The amendment is proposed to split evenly between the DDA, City, and Avalon Theatre Foundation Board.

*Action: Authorize the City Purchasing Division to Amend the Existing Contract with Westlake, Reed, Leskosky of Cleveland, OH for Architectural Services to a Total of \$873,829*

Staff presentation: Debbie Kovalik, Economic, Convention, and Visitor Services Director  
Harry Weiss, Downtown Development Authority Director  
Jay Valentine, Internal Services Manager

6. **Non-Scheduled Citizens & Visitors**

7. **Other Business**

8. **Adjournment**

**CITY OF GRAND JUNCTION, COLORADO  
RESOLUTION NO. \_\_-12**

**A RESOLUTION SUPPORTING BALLOT QUESTION 5B ON THE NOVEMBER 6, 2012  
GENERAL ELECTION BALLOT**

**RECITALS.**

Ballot question 5B is a referred measure to expand the Grand River Mosquito Control District (GRMCD or District). As a Title 32 Special District under Colorado law the District cannot expand without the voter's approval.

The District Board, by and through 5B is offering the people that presently are not within the District service area an opportunity to join the District by voting for 5B at the November 6, 2012 election.

The City Council, after due and careful consideration has determined that the passage of 5B will benefit our community and for the following reasons urges voters to approve the measure.

The GRMCD has been in existence since 1982 and currently serves an area that lies primarily along the Colorado River from Palisade to Fruita; however, the properties North of the River and between 18 Road on the West, 30 Road on the East and South of the Government Highline Canal are not now served. The ballot measure seeks to add that area (20 Road to 30 Road, between the River and the Canal) and a large area on the Redlands, which includes many residential properties as well as public parks and open spaces. Controlling mosquitoes where people live and play is an important step to protecting their health and well being; additional mosquito control will help reduce the nuisance that mosquitoes create and encourage people to be outside.

Furthermore, the community should support ballot measure 5B so that the GRMCD can help control mosquito borne disease; most notably the West Nile virus. Mosquitoes spread disease and the best way to reduce the spread of the disease is to reduce the carriers.

The District works to control the reproduction and growth of mosquitoes by the application of microbial larvacide to stagnant water. That approach is environmentally friendly and kills the young mosquitoes before they mature. The larvacide is derived from soil bacteria and poses no risk to humans, wildlife or the environment.

The GRMCD's work is supported by a small (1.513) property tax mill levy. Home owners will pay \$12.04 per every \$100,000 of assessed value. For the benefits

that will be provided the cost is very reasonable.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Grand Junction does hereby support ballot question 5B and urges the electors support such measure for the reasons stated.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

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President of the Council

ATTEST:

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City Clerk

**GRAND JUNCTION CITY COUNCIL  
MINUTES OF THE REGULAR MEETING**

**October 3, 2012**

The City Council of the City of Grand Junction convened into regular session on the 3<sup>rd</sup> day of October, 2012 at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Bennett Boeschstein, Teresa Coons, Tom Kenyon, Laura Luke, Sam Susuras, and Council President Bill Pitts. Councilmember Jim Doody was absent. Also present were City Manager Rich Englehart, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Pitts called the meeting to order. Councilmember Boeschstein led the Pledge of Allegiance, followed by moment of silence.

**Proclamations**

**Proclaiming the Month of October 2012 as “Childhood Cancer Awareness Month” in the City of Grand Junction**

Councilmember Susuras read the proclamation. Fire Chief Ken Watkins along with former Firefighter Rick Smith, and Delaney Clements approached the podium. Fire Chief Watkins explained that the Fire Department is wearing pink for the month of October to support all kinds of cancer awareness. They are especially supporting donations to the Delaney Fund to help other kids affected by cancer.

Rick Smith, grandfather of Delaney Clements, said it was very devastating when Delaney was diagnosed with cancer two years ago but there was a great deal of support from the community and the Fire Department. When she was treated over in Denver, Delaney noted that many of the kids being treated did not have the support she had. It made her sad so she came forward wanting to help others. Delaney Donates Fund was Delaney’s idea.

Councilmember Susuras said he had the honor of reading the proclamation and he too is a cancer survivor. He asked Delaney to come forward to receive the proclamation.

**Proclaiming the Month of October 2012 as “Homelessness Awareness Month” in the City of Grand Junction**

Councilmember Coons read the proclamation. Mollie Woodard, Homelessness Coalition Director, was present along with Melanie Heath, an employee of Homeward Bound. She said as a community, much has been done. The Homelessness Awareness Team (HOT) has changed lives. She and the Coalition are really excited about the ten year plan. Bridges have been built in the last few years. One HOT Team member, Officer Cindy Cohn, was in attendance and was recognized.

## **Proclaiming the week of October 7 through October 13, 2012 as "Fire Prevention Week" in the City of Grand Junction**

Councilmember Boeschstein read the proclamation. Fire Chief Ken Watkins and Fire Public Information Officer (PIO) Mike Page were present to receive the proclamation. Chief Watkins advised that fire prevention includes both inspection and education, both a big part of the Fire Department's job.

PIO Page described some of the programs that he takes into the schools to make kids aware of fire safety and fire prevention.

## **Proclaiming October 6, 2012 as "Oktoberfest Day" in the City of Grand Junction**

Councilmember Kenyon read the proclamation. The Bürgermeister and the Frau Bürgermeister Joe and Vicky Pologar were in attendance as well as event coordinator Kristin Brethauer.

Mr. Pologar said they are most honored to serve as ambassadors of good will. He invited everyone to come to the Oktoberfest on Saturday. He also mentioned his band Alpine Echo and said he is looking forward to the event. Ms. Pologar advised that October 6 is also German Heritage Day. Ms. Brethauer thanked the City Council for their support.

## **Certificates of Appointment**

Benjamin Blom, Rosa Brey, Dave Grossman, and Dr. Scott McBrayer, were present to receive their Certificates of Appointment and Julie Sabin was present to receive her Certificate of Reappointment to the Urban Trails Committee.

Julie Sabin, chair of the Urban Trails Committee, mentioned there are four new members. They are planning a biking and walking urban summit in the spring of 2013. She listed the benefits of the trails. The summit falls in line with the City Council's vision of being the most livable community west of the Rockies by 2025.

Benjamin Blom thanked the City Council for the appointment; he is excited to join the Committee.

Dr. Scott McBrayer thanked the City Council for the opportunity and wants to do anything he can to enhance the community.

Rosa Brey thanked the City Council for allowing her to serve on this Committee and she is proud to be a part of something so special.

Dave Grossman thanked the City Council for the opportunity to serve and support the City and the community's efforts in enhancing trails.

## **Appointments**

Councilmember Susuras moved to appoint 1<sup>st</sup> alternate Loren Couch to the Planning Commission until 2016, reappoint Jon Buschhorn to the Planning Commission for a four



year term expiring October 2016, appoint Christian Reece to the Planning Commission for a partial term expiring October 2013, and appoint Steven Tolle to the Zoning Board of Appeals and as first alternate on the Planning Commission for a two year term expiring October 2014, and appoint William Wade to the Zoning Board of Appeals and as second alternate on the Planning Commission for a four year term expiring October 2016. Councilmember Coons seconded. Motion carried.

### **Council Comments**

Resolution No. 39-12—A Resolution Opposing Amendment 64 on the November 6, 2012 General Election Ballot

Council President Pitts introduced the proposed resolution.

*Action: Adopt Resolution No. 39-12*

Councilmember Kenyon moved to adopt Resolution No. 39-12. Councilmember Susuras seconded the motion.

Councilmember Coons abstained from voting as she is concerned about using law enforcement resources for prosecuting people using small amounts of marijuana. She thinks more thinking needs to be done about that issue. She urges everyone to vote during the election on the matter.

Councilmember Susuras said Deputy District Attorney Rubenstein and Sheriff Hilkey oppose the amendment.

Motion carried by roll call vote with Councilmember Coons abstaining.

### **Citizen Comments**

Dick Beidelschies, 662 Miranda Street, president of the Mesa County Mounted Sheriff's Posse, said they help with Search and Rescue at the Sheriff's Department and they also support the 4H Youth Group, Gray Gourmet, Military Mothers, and other groups. The fundraising event that brings in the most money for their causes is the hosting of the State finals rodeo for the Colorado Professional Rodeo Cowboy's Association. They have over 141 contestants with all their families and spectators. They have tried to reactivate the rodeo parade. The mounted Marine Color Guard, the only one in the world, came this year. Their concern is they had to use Colorado Avenue for their parade this year. People were confused and spectators were lined up on Main Street while the parade progressed down Colorado Avenue so not many people actually saw the parade. He asked what they should do in the future to be able to use Main Street as the parade route. He didn't understand the comment he heard that downtown merchants did not want the parade on Main Street. They have already started meeting about next year's parade and would like to have the parade on Main Street. The parade is important to them.

Council President Pitts said they realize the importance of the event and will take it under advisement with the City Manager.

## CONSENT CALENDAR

Councilmember Kenyon moved to adopt the Consent Calendar and then read the Consent Calendar items #1-6. Councilmember Coons seconded the motion. Motion carried by roll call vote.

1. **Minutes of Previous Meetings**

*Action: Approve the Minutes of the September 18, 2012 Joint Persigo Meeting, the September 19, 2012 Special Session, and the September 19, 2012 Regular Meeting*

2. **Setting a Hearing on Zoning the Rohner Annexation, Located at 249 Abraham Avenue** [File #ANX-2012-374]

A request to zone the Rohner Annexation, consisting of one parcel, 0.44 acres, located at 249 Abraham Avenue, to an R-4 (Residential – 4 units) zone district. The Rohner Annexation area is 1.63 acres, containing 51,595 square feet of public right-of-way.

Proposed Ordinance Zoning the Rohner Annexation to R-4 (Residential – 4 Units), Located at 249 Abraham Avenue

*Action: Introduction of a Proposed Ordinance and Set a Hearing for October 17, 2012.*

3. **2013 Mesa County Animal Control Services Agreement**

The City has an ongoing, annually renewable agreement with Mesa County for animal control services within the City limits. The City pays the County a percentage of the Mesa County Animal Services' budget based upon the City's percentage of total calls for service.

*Action: Approve and Authorize the Mayor to Sign the 2013 Agreement between Mesa County and the City of Grand Junction Pertaining to Animal Services*

4. **CDBG Subrecipient Contracts with St. Mary's Foundation, Counseling and Education Center, and Grand Valley Catholic Outreach for Previously Allocated Funds within the 2012 Community Development Block Grant (CDBG) Program Year** [File #CDBG 2012-02; 2012-03; 2012-04; 2012-05; 2012-08; and 2012-11]

The Subrecipient Contracts formalize the City's award of a total of \$54,263 to various housing and non-profit organizations allocated from the City's 2012 CDBG Program as previously approved by Council.

*Action: Authorize the City Manager to Sign the Subrecipient Contracts with St. Mary's Foundation, the Counseling and Education Center, and Grand Valley Catholic Outreach for the City's 2012 Program Year Funds*

5. **Contract for Outsourced Printing and Copying Services**

This Printing and Copying Services contract was last awarded in 2008 and expires this year. The nature of this contract lends itself to more than one vendor due to the many diverse and complicated printing and copying projects required by City departments. The goal is to once again split the award between two local providers.

*Action: Authorize the City Purchasing Division to do a Split Award between Peczuh Printing and Adams Lightning Quick Print for an Annual Amount of Approximately \$62,000*

6. **Office Furniture Purchase for the Fire Administration Building Remodel**

This award is for the purchase, assembly, and installation of furnishings for the new Fire Administration Building. The furnishings for this building will include the new furniture being awarded with this contract as well as the re-use of existing furniture from the former Police Building.

*Action: Authorize the Purchasing Division to Enter Into a Contract with ProSpace Interiors of Grand Junction, Colorado for the Purchase, Assembly, and Installation of Furniture for the Fire Administration Building in the Amount of \$89,583.35*

**ITEMS NEEDING INDIVIDUAL CONSIDERATION**

**Contract for an On-site Hypochlorite Generation System Storage Building**

Request to enter into a contract with Mor Storage Inc., Grand Junction, CO to construct a new storage building to house the On-site Hypochlorite Generation System at the Water Treatment Plant.

Greg Trainor, Public Works, Utilities, and Planning Director, introduced this item. The purchase is related to the disinfection of water at the Water Treatment Plant. The equipment was previously approved and this request is for the building to house the equipment. Mor Storage was the low bidder. The contract is for the construction and the building itself.

Councilmember Susuras asked for confirmation that the money is in the budget and is in the capital improvement plan. Mr. Trainor confirmed that to be correct.

Councilmember Susuras moved to authorize the City Purchasing Division to enter into a contract with Mor Storage, Inc., Grand Junction, CO in the amount of \$106,450. Councilmember Luke seconded the motion. Motion carried.

Mr. Trainor said this is one of a number of projects authorized by the City Council over the last few years. The City Council has also approved the installation of solar projects. The two solar arrays will eventually provide all the power to operate the Water Treatment Plant. A couple of years ago geo thermal heating was installed at the Water Treatment Plant and they also use the water for cooling the building. Coming forward will be a gas

powered generator for the Plant. Another hydroelectric plant will be installed that will power the onsite hypochlorite generation system. He thanked the City Council for their support.

Councilmember Boeschstein thanked Mr. Trainor and Staff for their innovations for making the system green and self-sufficient.

Councilmember Kenyon agreed, noting the City is leading the way in many ways. Many of these improvements are also improvements in safety.

### **Purchase of Bronze Sculpture for Exterior of the Fire Administration Building in the Public Safety Complex**

Staff is requesting approval of the purchase of the artwork that was chosen for the exterior of the Fire Administration Building at the Public Safety Complex. The selection committee is recommending the sculpture "When I Grow Up" by sculptor Austin Weishel for \$65,500.

Rob Schoeber, Parks and Recreation Director, introduced this item. He said this is part of the 1% for the Arts program. A few weeks ago the City Council approved the sculpture for the new Police Department Building. The request before them is for the Fire Administration Building.

Ken Watkins, Fire Chief, explained the selection process and noted the piece is by Austin Weishel. The artist is 23 years old and a volunteer firefighter on the eastern slope. This will be the third piece he has sold. He has one at the National Mall in Washington D.C. as well as another piece on the eastern slope.

Councilmember Coons moved to authorize the purchase of the bronze sculpture "When I Grow Up" from Austin Weishel in the amount of \$65,500. Councilmember Luke seconded the motion. Motion carried.

### **Non-Scheduled Citizens & Visitors**

There were none.

### **Other Business**

There was none.

### **Adjournment**

The meeting was adjourned at 7:58 p.m.

Stephanie Tuin, MMC  
City Clerk



Date: September 18, 2012  
 Author: Senta Costello  
 Title/ Phone Ext: Senior Planner  
x1442  
 Proposed Schedule:                   1<sup>st</sup>  
Reading October 17, 2012  
 2nd Reading: November 7, 2012  
 File #: RZN-2012-408

**Attach 2**  
**CITY COUNCIL AGENDA ITEM**

<b>Subject:</b> Rezone Property Located at 2674 Patterson Road from R-4 (Residential 4 du/ac) to R-O (Residential Office)
<b>Action Requested/Recommendation:</b> Introduce the Proposed Ordinances and Set a Hearing for November 7, 2012
<b>Presenter(s) Name &amp; Title:</b> Senta Costello, Senior Planner

**Executive Summary:**

A request to rezone 0.635 acres, located at 2674 Patterson Road, from R-4 (Residential 4 du/ac) zone district to R-O (Residential Office) zone district.

**Background, Analysis and Options:**

The subject property is a single-family residence constructed in 1939 on approximately 0.64 acres. The property is currently zoned R-4 (Residential – 4 du/ac).

The applicant has been marketing the property for nearly three years and has only found interest in using the existing home for business purposes, due in part to its location on Patterson / F Road and proximity to St. Mary’s Hospital.

A neighborhood meeting was held July 5, 2012. Four neighbors attended, expressing general support for the proposal to rezone the property to R-O. One neighbor was unable to attend the meeting and sent in his questions and concerns via email (attached).

The request to rezone the property to R-O (Residential Office) would allow the existing structure to be used for offices, which is currently not permitted within the R-4 zone.

The purpose of the R-O (Residential Office) zone district is to provide low intensity, nonretail, neighborhood service and office uses that are compatible with adjacent residential neighborhoods. Development regulations and performance standards are intended to make buildings compatible and complementary in scale and appearance to a residential environment. New construction, including additions and rehabilitations, in the R-O district must be designed with residential architectural elements and must be consistent with existing buildings along the street. “Consistent” refers to operational, site design and layout, and architectural considerations.

### **How this item relates to the Comprehensive Plan Goals and Policies:**

This project is consistent with the following Goals and Policies of the Comprehensive Plan:

**Goal 3:** The Comprehensive Plan will create ordered and balanced growth and spread future growth throughout the community.

**Policy A:** To create large and small “centers” throughout the community that provides services and commercial areas.

The intersection of 12<sup>th</sup> Street and Patterson / F Road is designated as a Neighborhood Center and is located approximately ¼ mile from the subject property. A commercial component at this location supports the goal to provide services/commercial components in this area.

**Policy B:** Create opportunities to reduce the amount of trips generated for shopping and commuting and decrease vehicle miles traveled thus increasing air quality.

This property is centrally located where both its occupants and customers could easily make use of the many businesses located in this area, minimizing the need to travel further to complete shopping and other errands.

**Goal 6:** Land use decisions will encourage preservation of existing buildings and their appropriate reuse.

During the marketing of this property, the owners have had interest from potential buyers to reuse the existing structure for office purposes.

**Goal 12:** Being a regional provider of goods and services the City and County will sustain, develop and enhance a healthy, diverse economy.

The rezone of this property to an R-O (Residential Office) zone district allows for both residential and commercial opportunities while minimizing potential impacts to the existing residential neighborhood to the north.

### **Board or Committee Recommendation:**

Planning Commission forwarded a recommendation of approval at the September 25, 2012 meeting.

### **Financial Impact/Budget:**

N/A

**Legal issues:**

N/A

**Other issues:**

N/A

**Previously presented or discussed:**

N/A

**Attachments:**

Email from neighbor

Site Location Map / Aerial Photo Map

Comprehensive Plan Future Land Use Map / Existing Zoning Map

Proposed Ordinance

1.

BACKGROUND INFORMATION					
<b>Location:</b>		2674 Patterson Road			
<b>Applicants:</b>		Hyre Heights LLC – Jephtha Sheene, Janice Burtis			
<b>Existing Land Use:</b>		Residential			
<b>Proposed Land Use:</b>		Residential			
<b>Surrounding Land Use:</b>	<b>North</b>	Residential			
	<b>South</b>	Hospital			
	<b>East</b>	Parking; ATM			
	<b>West</b>	Residential			
<b>Existing Zoning:</b>		R-4 (Residential 4 du/ac)			
<b>Proposed Zoning:</b>		R-O (Residential Office)			
<b>Surrounding Zoning:</b>	<b>North</b>	R-4 (Residential 4 du/ac)			
	<b>South</b>	B-1 (Neighborhood Business)			
	<b>East</b>	PD (Planned Development)			
	<b>West</b>	R-4 (Residential 4 du/ac)			
<b>Future Land Use Designation:</b>		Residential Medium (4-8 du/ac)			
<b>Zoning within density range?</b>		X	Yes		No

2. **Section 21.02.140(a) of the Grand Junction Municipal Code:**

In order for the zoning to occur, the following questions must be answered and a finding of consistency with the Grand Junction Municipal Code must be made per Section 21.02.140(a) as follows:

(1) Subsequent events have invalidated the original premise and findings; and/or

Response: The property has been marketed for nearly two years, with no interest expressed in continued use as a single-family dwelling. The proximity to Patterson / F Road, a major transportation corridor, along with the expansion of St. Mary’s Hospital, are two factors cited by the applicants. The adoption of the Comprehensive Plan created an opportunity for mixed uses along the Patterson / F Road corridor.

Parcels along Patterson / F Road, particularly in proximity to existing commercial uses, have been considered for rezoning on a case-by-case basis, with the most recent approval at 602 N. 7<sup>th</sup> Street (RZN-2011-483) from R-4 to R-O. The subject property is located adjacent to a parking lot, which has existed since 2000, for St. Mary’s Hospital.

(2) The character and/or condition of the area has changed such that the amendment is consistent with the Plan; and/or



Response: See (1) response.

(3) Public and community facilities are adequate to serve the type and scope of land use proposed; and/or

Response: There are public utilities already connected to the existing residence. Public utilities, including potable water provided by the City of Grand Junction, are adjacent to the subject parcel that could be utilized and have the capacity to facilitate any potential new construction.

Community facilities, including retail, service, restaurant and other neighborhood uses, along with St. Mary's Hospital, are within walking distance of the subject parcel. Grand Valley Transit also provides bus service along Patterson / F Road, with a stop adjacent to this property.

(4) An inadequate supply of suitably designated land is available in the community, as defined by the presiding body, to accommodate the proposed land use; and/or

Response: There is approximately 82 acres within the city limits currently zoned R-O. This equates to less than 1% of the total acreage of zoned parcels within the city limits (21,200 acres). The change to the R-O zone district will add acreage to the zone district which will serve as a buffer between the traditional commercial to the south and the residential to the north.

(5) The community or area, as defined by the presiding body, will derive benefits from the proposed amendment.

Response: The change to the R-O zone district will serve as a buffer between the traditional commercial to the south and the residential to the north and offer additional use opportunities to the residents and property owners.

#### **FINDINGS OF FACT/CONCLUSIONS:**

After reviewing the 2674 Patterson Road Rezone, RZN-2012-408, a request to rezone the property from R-4 (Residential 4 du/ac) to R-O (Residential Office), the following findings of fact and conclusions have been determined:

1. The requested zone is consistent with the goals and policies of the Comprehensive Plan.
2. The review criteria in Section 02.140 of the Grand Junction Municipal Code have all been met.

I am in receipt of a notice of application for the potential rezone of property located at 2674 Patterson Road, Grand Junction, Colorado. Being an immediate neighbor of this property and impacted directly by this proposal, I need to make some comment about it.

An earlier rezone attempt of this parcel failed and for good reasons. It would have allowed for an imposing structure of as many as three stories to house unstated and unknown enterprises. I objected to these at the Planning Commission meeting and was relieved that the application met with defeat.

Now comes a second attempt to rezone this parcel, this time to R-O. While this designation allows for, on the surface, a lesser intrusion on our neighborhood, I have reservations about it. If "residential office" restricted the use to just that, I would have only some objections in light of the "architectural considerations" accompanying the description. However, it does not. Reading through the "allowed" uses under R-O I find that 37 different uses are listed along with eight "conditional" uses. Anything from a crematorium to a commercial parking lot to a cell tower. Hardly your homey little residential office with an inobtrusive sign and a white picket fence in front.

Once again we residents are being asked to agree to accept a zoning designation which is open ended as to what can ultimately be placed at this address, can include a building up to 40 ft tall and expect that the subjective determination of what is "compatible" with our neighborhood will really take our property values and lifestyle into account.

This is an attempt to make an end run around the failed, first effort to thrust commercial enterprises into our residential existence. I look forward to your response.

Respectfully submitted,

Steve Lambert

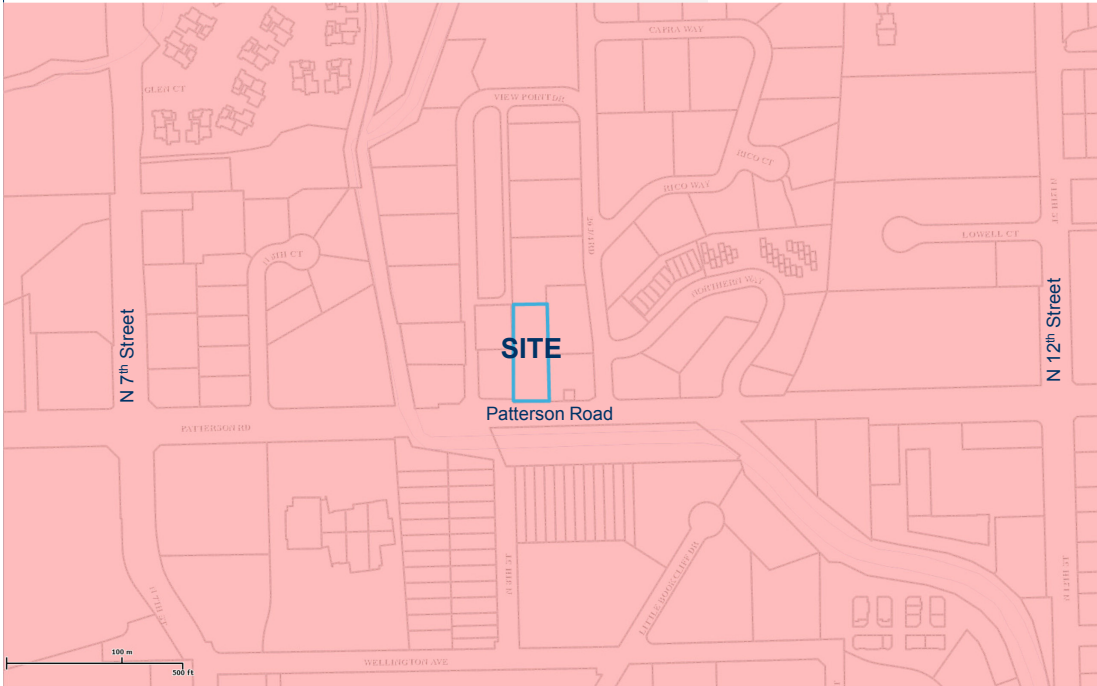
609 View Point Drive

Grand Junction, Colorado 81506

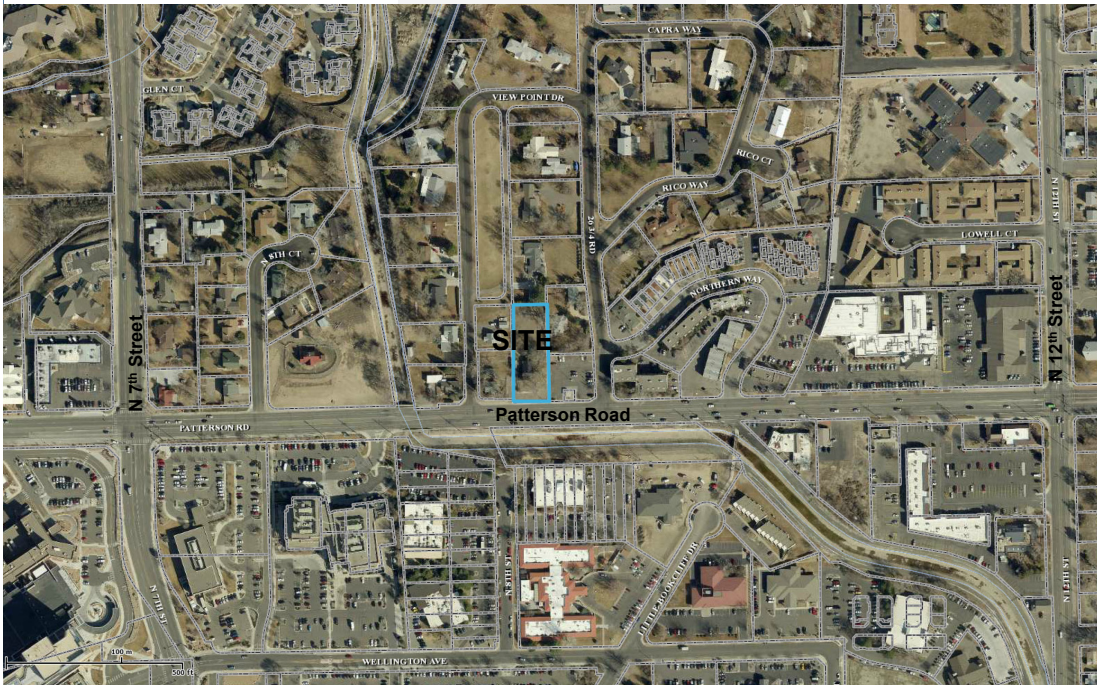
(970) 245-5043

slambert [4765@gmail.com](mailto:4765@gmail.com)

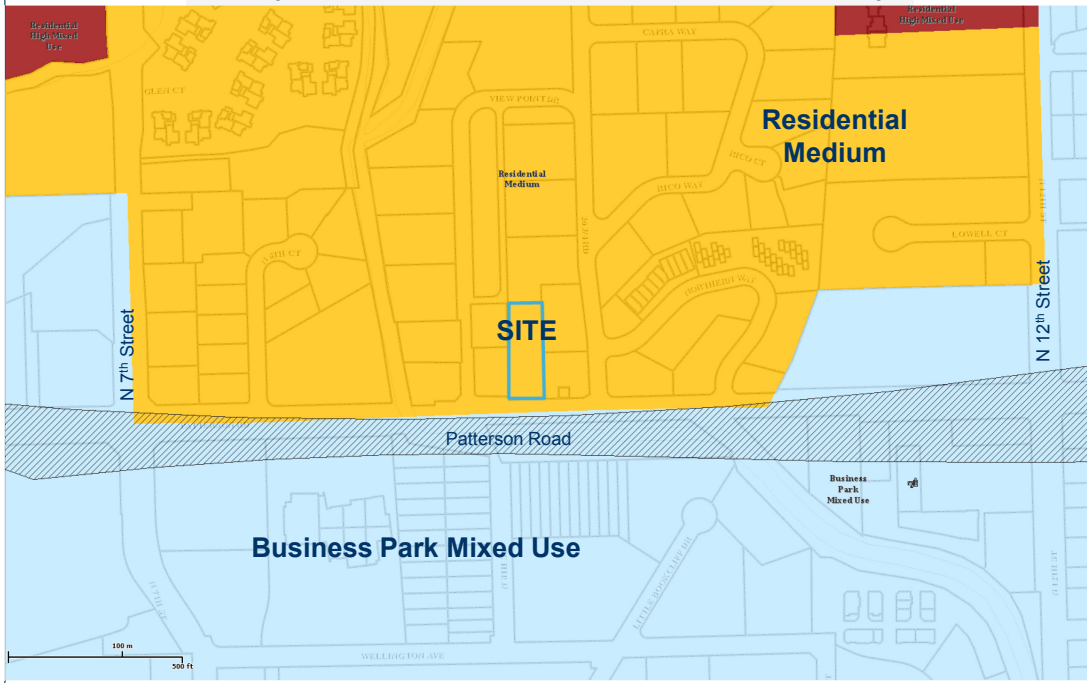
## Site Location Map



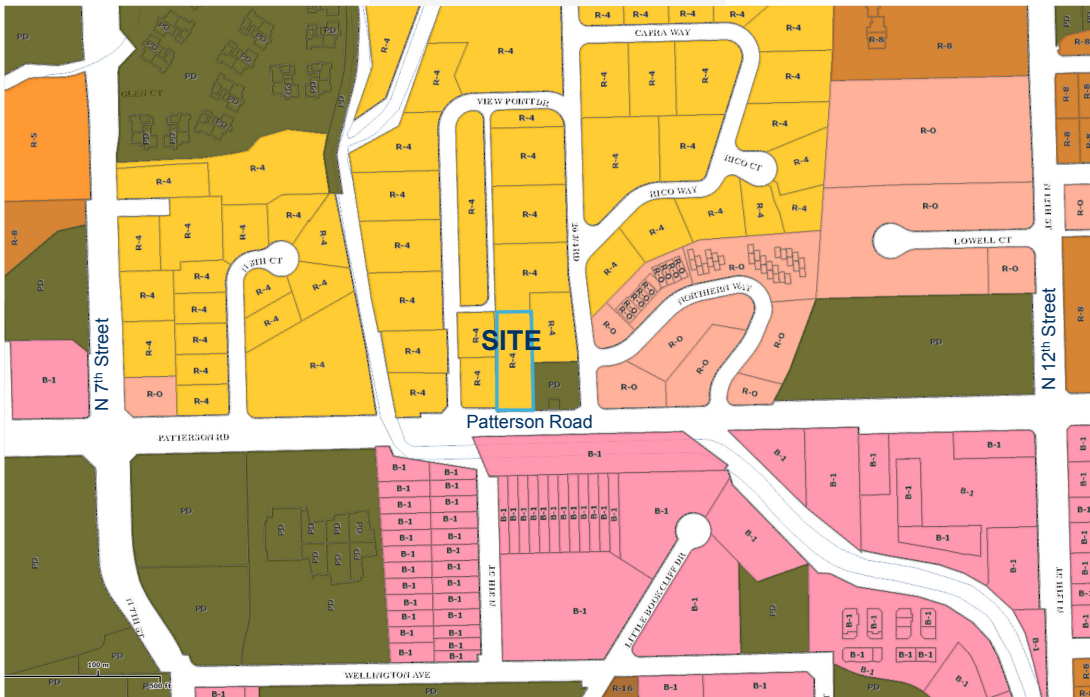
## Aerial Photo Map



# Comprehensive Plan Future Land Use Map



# Existing Zoning Map



**CITY OF GRAND JUNCTION, COLORADO**

**ORDINANCE NO.**

**AN ORDINANCE REZONING PROPERTY LOCATED AT 2674 PATTERSON ROAD  
FROM R-4 (RESIDENTIAL 4 DU/AC) TO R-O (RESIDENTIAL OFFICE)**

Recitals.

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of rezoning the property from R-4 (Residential 4 du/ac) to the R-O (Residential Office) zone district for the following reasons:

The zone district meets the recommended land use category as shown on the future land use map of the Comprehensive Plan, Residential Medium 4-8 du/ac and the Comprehensive Plan's goals and policies and/or is generally compatible with appropriate land uses located in the surrounding area.

After the public notice and public hearing before the Grand Junction City Council, City Council finds that the R-O (Residential Office) zone district to be established.

The Planning Commission and City Council find that the R-O (Residential Office) zoning is in conformance with the stated criteria of Section 21.02.140 of the Grand Junction Municipal Code.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION  
THAT:**

The following property shall be rezoned R-O (Residential Office).

BEG 1080.4FT E OF SW COR SE4 SEC 2 1S 1W N 326.7FT E 100FT S 326.7FT W  
100FT TO BEG EXC S 40FT FOR ROW PER B 936 P-146 & B-1547 P-232 & 233  
MESA CO RECORDS SUBJECT TO THE BOUNDARY LINE AGREEMENT  
RECORDED IN DOCUMENT 2563297 BOOK 5126 PAGE 57 RECORDED 2-16-2011  
BETWEEN LORI LEE AND LLOYD LEE GARRISON AND HYRE HEIGHTS LLC

Introduced on first reading this \_\_\_\_\_ day of \_\_\_\_\_, 2012 and ordered published in pamphlet form.

Adopted on second reading this \_\_\_\_\_ day of \_\_\_\_\_, 2012 and ordered published in pamphlet form.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor



Attach 3

## CITY COUNCIL AGENDA ITEM

Date: 10/9/2012

Author: Jay Valentine

Title/ Phone Ext: 1517

Proposed Schedule: 10/17/12

Setting a Hearing \_\_\_\_\_

2nd Reading \_\_\_\_\_

(if applicable): 11/7/12 Public Hearing

File # (if applicable): \_\_\_\_\_

**Subject:** Issuance of Downtown Development Authority (DDA) Tax Increment Revenue Bonds and Pledge the Tax Increment Revenues of the City for Payment of the Bonds – Series 2012 A and 2012 B

**Action Requested/Recommendation:** Introduction of Proposed Ordinance and Set a Hearing for November 7, 2012

**Presenter(s) Name & Title:** John Shaver, City Attorney  
Jay Valentine, Internal Services Manager

### Executive Summary:

On April 3, 2007, a majority of qualified voters within the boundaries of the Grand Junction, Colorado Downtown Development Authority (DDA) authorized the City to issue bonds or other indebtedness for the purpose of financing certain capital improvements within the DDA's "Plan of Development" area. The voters also authorized the pledge of tax increment funds for payment of the bonds. The City Council is authorized by the City Charter to authorize the issuance of such tax increment revenue bonds and now desires to cause the bonds to be issued, to authorize and direct the application of the proceeds, and to provide security for the payment.

### Background, Analysis and Options:

The DDA Plan of Development for improvements to the downtown area to the City Council was first enacted in the early 1980s. The Council approved and adopted the Plan of Development by resolution and established the tax increment fund, a special fund into which tax increments could be deposited by the City. Tax increment funds (TIF) are a portion of the ad valorem and municipal sales tax revenue produced from the Plan of Development area. Since the Plan of Development was enacted, the DDA has financed a number of improvement projects in downtown.

The last bonds issued for the DDA (Series 2009) will mature on December 15, 2012. The upcoming Series 2012 bonds are expected to close on or about December 17, 2012 and will be the only bonds outstanding when issued. These new bonds are the first to be issued under the new 20 year development plan. That new plan incorporates

changes to the tax increment base year, development components to be pursued, and to the participants in the property tax portion of the incremental revenue. The debt structure of the new bonds will be relatively short with a taxable series maturing in 2016 and a tax-exempt portion maturing in 2021. The bonds will be offered first to local banks within the DDA boundary through a City procurement process.

**How this item relates to the Comprehensive Plan Goals and Policies:**

**Goal 4:** Support the continued development of the downtown area of the City Center into a vibrant and growing area with jobs, housing and tourist attractions.

With the issuance of the 2012 TIF bonds, the DDA will continue to invest in the downtown area.

**Board or Committee Recommendation:**

The DDA Board has discussed this issuance and passed the attached resolution at their October 11<sup>th</sup>, Board Meeting.

**Financial Impact/Budget:**

The issuance of the 2012 TIF Bonds will net the DDA \$7,000,000 with a payback period of 9 years. The average annual debt service is anticipated to be approximately \$968,600 and the rate is anticipated to be 4.65% for the taxable series and 3.2% for the tax exempt series.

**Legal issues:**

The City Attorney has reviewed and approved the form and content of the resolution and ordinance.

**Other issues:**

N/A

**Previously presented or discussed:**

N/A

**Attachments:**

DDA's Resolution  
Proposed Bond Ordinance



## RESOLUTION

WHEREAS, the Grand Junction Downtown Development Authority (the “Authority”) is a duly organized and existing downtown development authority under the Constitution and laws of the State of Colorado, including, particularly, Title 31, Article 25, Part 8, Colorado Revised Statutes, as amended; and

WHEREAS, the Board of Directors of the Authority (the “Board”) has consulted with the City Council (the “Council”) of the City of Grand Junction, Colorado (the “City”), and has requested that the City issue its “City of Grand Junction, Colorado, Downtown Development Authority, Tax-Exempt Tax Increment Revenue Bonds, Series 2012A” (the “2012A Bonds”) and its “City of Grand Junction, Colorado, Downtown Development Authority, Taxable Tax Increment Revenue Bonds, Series 2012B” (the “2012B Bonds,” and together with the 2012A Bonds, the “Bonds”), in a combined aggregate principal amount not to exceed \$8,000,000; and

WHEREAS, the proceeds of the Bonds are to be used, together with other legally available moneys, for a variety of projects in the Plan of Development Area (as defined in the Council Resolution adopted December 16, 1981 approving the Authority’s Plan of Development and establishing the Tax Increment Fund, as amended from time to time); such projects being described in the attached Exhibit A and being collectively referred to herein as the “Project”; and

WHEREAS, there has been filed with the Secretary to the Board a substantially final draft of the bond ordinance to be adopted by the Council to authorize the issuance of the Bonds (the “Bond Ordinance”), which is attached hereto as Exhibit B; and

WHEREAS, no member or employee of the Board has any specific financial interest in the Project except to the extent that any such conflict of interest has been disclosed to the Board and such person has refrained from taking official action thereon pursuant to Section 31-25-819, Colorado Revised Statutes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY, IN THE CITY OF GRAND JUNCTION AND STATE OF COLORADO:

Section 1. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council, the Board, or the officers of the Authority or the City, directed toward the Project and toward the sale and issuance of the Bonds for such purpose, be, and the same hereby is, ratified, approved and confirmed.

Section 2. Approval of City Ordinance and Bonds. The Bond Ordinance is hereby approved in substantially the form attached hereto as Exhibit B, and the issuance of the Bonds by the City is hereby approved on substantially the terms and conditions provided in the Bond Ordinance; provided, however, the aggregate principal amount of the Bonds and the net effective interest rate on each series of the Bonds shall not exceed the parameters described in the Bond Ordinance attached hereto as Exhibit B.

Section 3. Authorization to Officers. The Chair of the Board and the officers of the Authority and the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of the Bond Ordinance and this Resolution.

Section 4. Tax Covenant for 2012A Bonds. The Authority hereby covenants for the benefit of the City and the owners of the 2012A Bonds that it will not take any action or omit to take any action with respect to the 2012A Bonds, the proceeds of the 2012A Bonds, any other funds of the Authority, or the facilities financed or refinanced with the proceeds of the 2012A Bonds, if such action or omission (i) would cause the interest on the 2012A Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), as in effect on the date of delivery of the 2012A Bonds, (ii) would cause the interest on the 2012A Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations, or (iii) would cause interest on the 2012A Bonds to lose its exemption from Colorado taxation (except inheritance, estate and transfer taxes) under present Colorado law. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2012A Bonds until the date on which all obligations of the Authority in fulfilling the above covenant under the Code and Colorado law have been met.

Section 5. Tax Covenant for 2012B Bonds. The Authority hereby covenants for the benefit of the City and the owners of the 2012B Bonds that it will not take any action or omit to take any action with respect to the 2012B Bonds, the proceeds of the 2012B Bonds, any other funds of the Authority, or the facilities financed or refinanced with the proceeds of the 2012B Bonds, if such action or omission would cause interest on the 2012B Bonds to lose its exemption from Colorado taxation (except inheritance, estate and transfer taxes) under present Colorado law. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2012B Bonds until the date on which all obligations of the Authority in fulfilling the above covenant under the Code and Colorado law have been met.

Section 6. Use of Proceeds. The Board hereby finds and determines that the Project, as described on Exhibit A, constitutes its expected uses of Bond proceeds available for the Project. The Board also acknowledges that use of 2012A Bond proceeds in ways prohibited by the Code can cause the 2012A Bonds to be taxable, retroactive to the date of issuance of the 2012A Bonds. Accordingly, the Board hereby agrees that it will consult with Bond Counsel if it materially changes the use of the 2012A Bond proceeds from that described in Exhibit A or otherwise contemplates using the 2012A Bond proceeds in a manner that could potentially cause the 2012A Bonds to become taxable.

Section 7. Direction to Officers. The officers and agents of the Authority shall be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution and the Bond Ordinance, including without limiting the generality of the foregoing, the execution of any certificate or certificates relating to the Bonds.

Section 8. Contract with Bond Owners. After any of the Bonds have been issued, this Resolution shall constitute a contract between the Authority and the owners of the Bonds and shall be and remain irrevocable until the Bonds and the interest thereon shall have been fully paid, satisfied and discharged.

Section 9. Severability. 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 10. Repealer. All acts and resolutions in conflict with this Resolution are hereby rescinded, annulled and repealed. This repealer shall not be construed to revive any act or resolution, or part thereof, heretofore repealed.

[The remainder of this page intentionally left blank.]

ADOPTED AND APPROVED this October 11, 2012.

---

Chair

(SEAL)

Attest:

---

Secretary

## EXHIBIT A

### (DESCRIPTION OF THE PROJECT)

Proceeds of the Bonds will be used for some of the following costs, all of which collectively constitute the Project:

#### 2012A Bonds:

1. Reimbursement of costs relating to the Main Street improvements;
2. Payment of a portion of the final debt service payment on the City's Downtown Development Authority, Tax Increment Revenue Bonds, Series 2009;
3. Colorado Avenue beautification project;
4. White Hall acquisition and redevelopment;
5. Mesa County library site improvements;
6. Acquisition and development of a new DDA office; and/or
7. Any other improvements approved by the qualified electors of the Authority at the election held on April 3, 2007 or April 5, 2011, including specifically, the financing of streets, parks, plazas, parking facilities, playgrounds, capital facilities, pedestrian malls, rights-of-way, structures, waterways, bridges, and access routes to any of the foregoing, designed for use by the public generally or used by any public agency with or without charge.

#### 2012B Bonds:

1. Improvements to the Avalon Theatre; and/or
2. Any other improvements approved by the qualified electors of the Authority at the election held on April 3, 2007 or April 5, 2011, including specifically, the financing of streets, parks, plazas, parking facilities, playgrounds, capital facilities, pedestrian malls, rights-of-way, structures, waterways, bridges, and access routes to any of the foregoing, designed for use by the public generally or used by any public agency with or without charge.

EXHIBIT B

(Attach Form of City's Bond Ordinance)

STATE OF COLORADO )  
 )  
 COUNTY OF MESA ) SS.  
 )  
 GRAND JUNCTION DOWNTOWN )  
 DEVELOPMENT AUTHORITY )

I, Diane Keliher, the duly chosen, qualified and acting Secretary to the Grand Junction Downtown Development Authority (the “Authority”), Mesa County, Colorado, do hereby certify that:

1. The foregoing pages are a true, perfect and complete copy of a resolution (the “Resolution”) passed and adopted by the Board of Directors (the “Board”) of the Authority at a regular meeting of the Board held at the regular meeting place of the Board on October 11, 2012.

2. The Resolution was duly moved and seconded, and the Resolution was finally adopted at the meeting of October 11, 2012, by an affirmative vote of a majority of the members of the Board as follows:

<u>Boardmember</u>	<u>Voting “Aye”</u>	<u>Voting “Nay”</u>	<u>Absent</u>	<u>Abstaining</u>
Jodi Coleman-Niernberg, Chair				
Les Miller, Vice Chair				
Bennett Boeschenstein				
Stephan Schweissing				
Jason Farrington				
Peggy Page				
Kevin Reimer				
P.J. McGovern				

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The Resolution was approved and authenticated by the signature of the Chair of the Board, sealed with the Authority seal, attested by the Secretary and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.

6. Notice of the meeting of October 11, 2012 in the form attached hereto as Exhibit I was posted not less than 24 hours prior to the meeting in accordance with law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Authority this October 11, 2012.

(SEAL)

---

Secretary to the Board of Directors of the Grand  
Junction Downtown Development Authority



EXHIBIT I

(Attach Copy of Meeting Notice)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AUTHORIZING THE ISSUANCE OF (A) THE CITY OF GRAND JUNCTION, COLORADO, DOWNTOWN DEVELOPMENT AUTHORITY, TAX-EXEMPT TAX INCREMENT REVENUE BONDS, SERIES 2012A, AND (B) THE CITY OF GRAND JUNCTION, COLORADO, DOWNTOWN DEVELOPMENT AUTHORITY, TAXABLE TAX INCREMENT REVENUE BONDS, SERIES 2012B; PLEDGING THE TAX INCREMENT REVENUES OF THE CITY FOR THE PAYMENT OF SUCH BONDS; AND RELATED MATTERS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

Section 1. Definitions. Terms used in this Ordinance shall have the meanings specified in this section for all purposes of this Ordinance and of any ordinance amendatory hereof, supplemental hereto or relating hereto, and of any instrument or document appertaining hereto, except where the context by clear implication otherwise requires. All definitions include the singular and plural and include all genders. Certain terms are parenthetically defined elsewhere herein.

Act: Title 31, Article 25, Part 8, C.R.S., as amended.

Additional Bonds: the one or more series of bonds or other securities or obligations authorized to be issued by the City pursuant to Sections 17 and 18 hereof and having a lien on the Pledged Revenues on a parity with the lien of the Bonds.

Authority: the Grand Junction, Colorado, Downtown Development Authority, created by the City by an ordinance adopted March 16, 1977.

Average Annual Debt Service: the sum of principal and interest requirements on the Bonds or Additional Bonds to be paid during each Fiscal Year for the period beginning with the Fiscal Year in which such computation is being made and ending with the last Fiscal Year in which any Bond or Additional Bond becomes due, divided by the number of Fiscal Years (including portions thereof) during the period beginning with the Fiscal Year in which such

computation is being made and ending with the last Fiscal Year in which any Bond or Additional Bond becomes due.

Bond Account: the account by that name created by Section 15 hereof.

Bonds: the Outstanding 2012A Bonds and the Outstanding 2012B Bonds.

Business Day: a day on which banks located in the cities in which the principal offices of each of the Paying Agent and the Registrar are not required or authorized to be closed and on which the New York Stock Exchange is not closed.

City: the City of Grand Junction, Colorado.

Charter: the home rule Charter of the City, including all amendments thereto prior to the date hereof.

Commercial Bank: any depository for public funds permitted by the laws of the State for political subdivisions of the State which has a capital and surplus of \$10,000,000 or more, and which is located within the United States of America.

Continuing Disclosure Certificate: the Continuing Disclosure Certificate executed by the City with respect to the Bonds.

Council: the City Council of the City or any successor in functions thereto.

County: Mesa County, Colorado.

C.R.S.: Colorado Revised Statutes.

Federal Securities: only direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or ownership interests in any of the foregoing) and which are not callable prior to their scheduled maturities by the issuer thereof (or an ownership interest in any of the foregoing).

Finance Director: the Finance Director of the City.

Fiscal Year: the twelve months commencing on the first day of January of any calendar year and ending on the thirty-first day of December of such calendar year or such other twelve-month period as may from time to time be designated by the Council as the Fiscal Year of the City.

Limited Offering Memorandum: the Limited Offering Memorandum with respect to the Bonds.

Ordinance: this Ordinance of the City, which provides for the issuance and delivery of the Bonds.

Outstanding: as of any date of calculation, all Bonds or Additional Bonds theretofore executed, issued and delivered by the City except:

(i) Bonds or Additional Bonds theretofore cancelled by the City, the Registrar or the Paying Agent, or surrendered to the City, the Registrar or the Paying Agent for cancellation;

(ii) Bonds or Additional Bonds in lieu of or in substitution for which other Bonds or Additional Bonds shall have been executed, issued and delivered by the City and authenticated by the Registrar unless proof satisfactory to the Registrar is presented that any such Bonds or Additional Bonds are duly held by the lawful Registered Owners thereof; or

(iii) Bonds or Additional Bonds deemed to have been paid as provided in Section 20 hereof or any similar provision of an ordinance authorizing the issuance of Additional Bonds.

For purposes of this definition, the terms Registrar and Paying Agent shall include a registrar or paying agent for any Additional Bonds.

Owner or Registered Owner: the Registered Owner of any Bond as shown on the registration books kept by the Registrar, and, where the context so requires, the Registered Owner of any Additional Bond as shown on the registration books kept by the registrar for such bonds.

Paying Agent: Zions First National Bank, Denver, Colorado, or its successors and assigns.

Permitted Investment: any investment or deposit permitted by the laws of the State.

Person: any individual, firm, partnership, corporation, company, association, joint-stock association or body politic; and the term includes any trustee, receiver, assignee or other similar representative thereof.

Plan: the Downtown Development Authority Plan of Development approved in the Resolution, including any amendments to the Plan subsequently approved by the Council.

Plan of Development Area: the area subject to the Plan, including any additional property subsequently included therein.

Pledged Revenues: the Tax Increments (less 20% of the Tax Increments originating from municipal sales tax revenues for a portion of the Plan of Development Area and 30% of such increments from another portion of the Plan of Development Area as provided in Grand Junction City Resolution No. 28-83), all funds deposited in the Tax Increment Fund and Bond Account, and investment income from the Bond Account and Tax Increment Fund, subject to Federal tax laws regarding arbitrage rebate.

President: the President of the Council.

Principal Operations Office: the principal operations office of the Registrar and Paying Agent, currently located in the City of Denver, Colorado.

Project: the improvements in the Plan of Development Area constructed or acquired (or subsequently refinanced) with the proceeds of the Bonds, which improvements shall be described in the Plan and the 2007 Election and/or the 2011 Election.

Purchaser(s): the one or more initial purchasers of the Bonds selected by the President or the Finance Director to purchase the Bonds pursuant to the Request for Qualifications.

Rebate Account: the account by that name created by Section 15 hereof.

Registrar: Zions First National Bank, Denver, Colorado, or its successors and assigns.

Registrar Agreement: the Registrar and Paying Agent Agreement between the City and the Registrar with respect to the Bonds.

Regular Record Date: the last business day of the calendar month next preceding each interest payment date for each series of the Bonds (other than a special interest payment date hereafter fixed for the payment of defaulted interest).

Request for Qualifications: the Request for Qualifications prepared by the City to solicit purchasers for the Bonds.

Resolution: the Council Resolution adopted December 16, 1981 approving the Plan and establishing the Tax Increment Fund, all as amended from time to time.

Sale Certificate: the certificate executed by the President or Finance Director dated on or before the date of delivery of the Bonds, setting forth: (i) the aggregate principal amount of each series of Bonds; (ii) the rate or rates of interest on each series of Bonds; (iii) the first interest payment date for each series of Bonds; (iv) the final maturity date of each series of Bonds; (v) the existence and amount of any capitalized interest or reserve fund for either or both series of Bonds; (vi) the conditions on which and the prices at which either or both series of Bonds may be called for optional redemption; (vii) the existence of any Term Bonds subject to mandatory sinking fund redemption with respect to either or both series of Bonds; (viii) the amount or amounts of principal maturing on each date for each series of Bonds; (ix) the price at which each series of Bonds will be sold; and (x) any other finding or determination authorized under the Supplemental Act, all subject to the parameters and restrictions contained in Section 6 hereof.

Special Record Date: a special date fixed to determine the names and addresses of registered owners for purposes of paying interest on a special interest payment date for the payment of defaulted interest, all as further provided in Section 6 hereof.

State: the State of Colorado.

Supplemental Act: the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S.

Tax Code: the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds, and any regulations promulgated thereunder.

Tax Increments: (i) one hundred percent of the property taxes produced by the levy at the rate fixed each year by or for the City upon the valuation for assessment of taxable property within the boundaries of the Plan of Development Area which is in excess of the valuation for assessment of taxable property within the boundaries of the Plan of Development Area certified as the base amount by the County Assessor pursuant to Sections 31-25-807(3)(a)(IV) and 31-25-807(3)(f) of the Act and pledged herein for the repayment of and as security for the Bonds; (ii) fifty percent, or such greater amount as may be set forth in an agreement negotiated between the City and the respective public bodies, of the property taxes produced by the levy at the rate fixed each year by or for each public body (excluding the City, which is covered by clause (i) of this definition) upon the valuation for assessment of taxable

property within the boundaries of the Plan of Development Area which is in excess of the valuation for assessment of taxable property within the boundaries of the Plan of Development Area certified as the base amount by the County Assessor pursuant to Sections 31-25-807(3)(a)(IV) and 31-25-807(3)(f) of the Act and pledged herein for the repayment of and as security for the Bonds; and (iii) one hundred percent of the municipal sales taxes produced within each sales tax collection area within the Plan of Development Area which are in excess of the amount certified as the base amount for such collection area by the Finance Director pursuant to Section 31-25-807(3) of the Act and pledged herein for the repayment of and as security for the Bonds. “Tax Increments” also include specific ownership taxes, if and to the extent received by the City in connection with the property tax increment described above.

Tax Increment Fund: the special fund created by the Resolution into which the Tax Increments are to be deposited by the City.

Term Bonds: Bonds of either series that are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Trust Bank: a Commercial Bank which is authorized to exercise and is exercising trust powers.

2007 Election: the special election held by the City within the boundaries of the Authority on April 3, 2007.

2011 Election: the special election held by the City within the boundaries of the Authority on April 5, 2011.

2012A Bonds: the City’s Downtown Development Authority, Tax-Exempt Tax Increment Revenue Bonds, Series 2012A, authorized to be issued pursuant to this Ordinance.

2012B Bonds: the City’s Downtown Development Authority, Taxable Tax Increment Revenue Bonds, Series 2012B, authorized to be issued pursuant to this Ordinance.

Section 2. Recitals.

A. The City is a municipal corporation duly organized and existing under its Charter adopted pursuant to Article XX of the Colorado Constitution.

B. The Authority was organized by the City pursuant to the Act as a “downtown development authority” for the purposes of the Act, including the improvement of

the Plan of Development Area. The Authority proposed and submitted the Plan to the Council, and the Plan was approved by the Council in the Resolution. The Plan has been modified from time to time by amendments to the Resolution for the purpose of including additional property within the Plan of Development Area and other relevant changes. The Plan provides for a division of taxes pursuant to Section 31-25-807(3) of the Act. Pursuant to Section 31-25-807(3)(a)(IV) of the Act and Ordinance No. 4494 duly adopted by the Council on January 4, 2012, such division of taxes (with the modifications required by Section 31-25-807(3)(a)(IV) of the Act) was extended for an additional twenty years beginning with the taxes levied in 2012 and collectible in 2013. The Resolution established the Tax Increment Fund for the deposit of the Tax Increments resulting from such division of taxes.

C. Pursuant to the Act, the City is permitted to issue securities made payable from the Tax Increments for the purposes of a project if the issuance of such bonds and the pledge of such revenues are first submitted for approval to the qualified electors of the Authority at a special election held for such purpose.

D. In addition, Article X, Section 20 of the Colorado Constitution requires voter approval in advance for the creation of any multiple-fiscal year direct or indirect debt or other financial obligation (except that refundings of existing debt at lower interest rates do not require an election).

E. At the 2007 Election, a majority of the qualified electors of the Authority voting thereon authorized the City to issue bonds or other indebtedness not to exceed \$18,000,000, with a repayment cost of \$20,000,000, for the purpose of financing certain capital improvements within the Plan of Development Area and authorized the pledge of the Tax Increment Fund for payment of principal, interest and any premiums due in connection with such bonds or other indebtedness, said pledge of funds not to exceed the maximum time permitted by law.

F. The ballot question submitted to the qualified electors of the Authority at the 2007 Election was as follows:

SHALL CITY OF GRAND JUNCTION DEBT BE INCREASED  
\$18,000,000 WITH A REPAYMENT COST OF \$20,000,000,  
WITHOUT RAISING ADDITIONAL TAXES, TO FINANCE  
STREETS, PARKS, PLAZAS, PARKING FACILITIES,  
PLAYGROUNDS, CAPITAL FACILITIES, PEDESTRIAN



MALLS, RIGHTS-OF-WAY, STRUCTURES, WATERWAYS, BRIDGES, ACCESS ROUTES TO ANY OF THE FOREGOING, DESIGNED FOR USE BY THE PUBLIC GENERALLY OR USED BY ANY PUBLIC AGENCY WITH OR WITHOUT CHARGE; SUCH DEBT TO BE EVIDENCED BY BONDS, LOANS, ADVANCES OR INDEBTEDNESS PROVIDED THAT THE SPECIFIC TERMS OF THE DEBT, INCLUDING A PROVISION FOR EARLY REPAYMENT WITH OR WITHOUT A PREMIUM, AND THE PRICE AT WHICH IT WILL BE SOLD SHALL BE DETERMINED BY THE CITY AS NECESSARY AND PRUDENT; SHALL THE PLEDGE OF THE TAX INCREMENT FUND TO SUCH DEBT BE AUTHORIZED FOR A PERIOD NOT TO EXCEED THE MAXIMUM TIME PERMITTED BY LAW; AND IF THIS QUESTION IS APPROVED, THE AUTHORITY TO ISSUE DEBT PURSUANT TO BALLOT ISSUE 5T AT THE CITY'S NOVEMBER 2, 2004 ELECTION SHALL BE OF NO FURTHER EFFECT?

G. At the 2011 Election, a majority of the qualified electors of the Authority voting thereon authorized the City to issue bonds or other indebtedness not to exceed \$65,000,000, with a repayment cost of \$72,000,000, for the purpose of financing certain capital improvements within the Plan of Development Area and authorized the pledge of the Tax Increment Fund for payment of principal, interest and any premiums due in connection with such bonds or other indebtedness, said pledge of funds not to exceed the maximum time permitted by law.

H. The ballot question submitted to the qualified electors of the Authority at the 2011 Election was as follows:

SHALL CITY OF GRAND JUNCTION DEBT BE INCREASED NOT TO EXCEED \$65,000,000 WITH A REPAYMENT COST OF \$72,000,000, WITHOUT RAISING ADDITIONAL TAXES, TO FINANCE STREETS, PARKS, PLAZAS, PARKING FACILITIES, PLAYGROUNDS, CAPITAL FACILITIES, PEDESTRIAN MALLS, RIGHTS-OF-WAY, STRUCTURES, WATERWAYS, BRIDGES, ACCESS ROUTES TO ANY OF THE FOREGOING, DESIGNED FOR USE BY THE PUBLIC GENERALLY OR USED BY ANY PUBLIC AGENCY WITH OR WITHOUT CHARGE; SUCH DEBT TO BE EVIDENCED BY BONDS, LOANS, ADVANCES OR INDEBTEDNESS PROVIDED THAT THE SPECIFIC TERMS OF THE DEBT, INCLUDING A PROVISION FOR EARLY REPAYMENT

WITH OR WITHOUT A PREMIUM, AND THE PRICE AT WHICH IT WILL BE SOLD SHALL BE DETERMINED BY THE CITY AS NECESSARY AND PRUDENT; SHALL THE PLEDGE OF THE TAX INCREMENT FUND TO SUCH DEBT BE AUTHORIZED FOR A PERIOD NOT TO EXCEED THE MAXIMUM TIME PERMITTED BY LAW?

I. The City has previously issued \$10,000,000 of the indebtedness authorized at the 2007 Election, which indebtedness was represented by its “City of Grand Junction, Colorado, Downtown Development Authority, Tax-Increment Revenue Bonds, Series 2009” (the “2009 Bonds”), all of which will be repaid as of December 15, 2012.

J. The City has not previously issued any of the indebtedness authorized at the 2011 Election.

K. The Bonds issued for the Project shall be issued on or after December 17, 2012, with terms such that they meet the requirements of the ballot questions submitted at the 2007 Election and/or the 2011 Election.

L. Upon the final payment of the 2009 Bonds, the City will not have any debt payable from a pledge of the Pledged Revenues, and the Pledged Revenues may be pledged lawfully and irrevocably for the payment of the Bonds.

M. The City expects to receive one or more offers from one or more Purchasers for the purchase of the Bonds for the purpose of defraying in whole or in part the costs of the Project and the costs of issuing the Bonds.

N. The Council desires to cause the Bonds to be issued, to authorize and direct the application of the proceeds thereof as set forth herein, and to provide security for the payment thereof, all in the manner hereinafter set forth.

O. The Bonds shall be issued pursuant to the provisions of the Constitution and laws of the State, including the Act and the Supplemental Act, the Charter, the 2007 Election and/or the 2011 Election, this Ordinance, and all other laws thereunto enabling.

P. There are on file in the City offices the proposed forms of the following documents: (i) the Request for Qualifications; (ii) the Registrar Agreement; (iii) the Continuing Disclosure Certificate; and (iv) the Limited Offering Memorandum.

Section 3. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the Council and other officers of the City in the creation of the

Tax Increment Fund, the pledging of the Tax Increments (to the extent described herein), the implementation of the Project, and the selling and issuing of the Bonds for those purposes are hereby ratified, approved and confirmed.

Section 4. Authorization of Project. The Project is hereby authorized at a cost not to exceed \$8,000,000 (excluding costs to be paid from sources other than the proceeds of the Bonds). The useful life of the Project is not less than 5 years.

Section 5. Authorization of Bonds; Delegation. In accordance with the Constitution and laws of the State, including the Act and the Supplemental Act, the Charter, the 2007 Election and/or the 2011 Election, and the provisions of this Ordinance, and for the purpose of defraying the costs of the Project, there hereby are authorized to be issued on or after December 17, 2012 two series of fully registered Tax Increment revenue securities of the City, designated as: (i) the “City of Grand Junction, Colorado, Downtown Development Authority, Tax-Exempt Tax Increment Revenue Bonds, Series 2012A;” and (ii) the “City of Grand Junction, Colorado, Downtown Development Authority, Taxable Tax Increment Revenue Bonds, Series 2012B.” Each series of Bonds shall be issued in the aggregate principal amount approved by the President or Finance Director and set forth in the Sale Certificate, subject to the parameters and restrictions contained in this Ordinance, and shall be payable and collectible, both as to principal and interest, from the Pledged Revenues.

Section 11-57-204 of the Supplemental Act provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. The Council hereby elects to apply all of the Supplemental Act to the Bonds.

Either the President or the Finance Director are hereby independently authorized and directed to execute and deliver the Sale Certificate and to make and approve the final determinations contained therein, subject to the parameters and restrictions of this Ordinance.

Section 6. Bond Details. Each series of Bonds shall be sold at the price indicated in the Sale Certificate, shall be issued in fully registered form (i.e., registered as to payment of both principal and interest), and shall be initially registered in the name(s) of the Purchaser(s) thereof. Each series of Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof (provided that no Bond of either series may be in a denomination which exceeds the principal coming due on any maturity date and no individual Bond of either series

may be issued for more than one maturity and interest rate); provided, however, that Term Bonds with respect to either series of Bonds may be issued subject to annual sinking fund payments. The Bonds of each series shall be dated as of their date of delivery. The Bonds of each series shall be numbered in the manner determined by the Registrar.

2. The Bonds of each series shall mature, bear interest from their date to maturity, and be sold, as provided in the Sale Certificate: provided that: (i) the aggregate principal amount of the Bonds shall not exceed \$8,000,000 (such \$8,000,000 may be divided between each series of Bonds as determined in the Sale Certificate); (ii) the net effective interest rate on the 2012A Bonds shall not exceed 5.50%; (iii) the net effective interest rate on the 2012B Bonds shall not exceed 6.50% (iv) the Bonds of each series shall mature no later than December 15, 2022; (iv) the Bonds of each series shall be subject to optional redemption, if at all, no later than December 15, 2022; (v) if applicable, the redemption price of each series of Bonds shall not exceed 103% of the principal amount so redeemed; (vi) the purchase price of each series of Bonds shall not be less than 98.0% of the original principal amount of such series of Bonds; (vii) the maximum annual repayment cost of the Bonds shall not exceed \$1,200,000; and (viii) the total repayment cost of the Bonds shall not exceed the amounts authorized at the 2007 Election (after accounting for the 2009 Bonds) or the 2011 Election, as applicable.

Interest on each series Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable June 15 and December 15, commencing on the date specified in the Sale Certificate.

3. The principal of and premium, if any, on any Bond, shall be payable to the Registered Owner thereof as shown on the registration books kept by the Registrar upon maturity or prior redemption of the Bonds, upon presentation and surrender at the Principal Operations Office. If any Bond shall not be paid upon such presentation and surrender at maturity, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full.

Payment of interest on any Bond shall be made to the Registered Owner thereof by check, draft or wire, sent by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a Business Day, on or before the next succeeding Business Day), to the Registered Owner thereof at his or her address as it last appears on the registration

books kept by the Registrar on the Record Date; but, any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the Registered Owner thereof on the Record Date and shall be payable to the Person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date and the date fixed for payment of such defaulted interest shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners not less than ten days prior to the Special Record Date by first-class mail to each such Registered Owner as shown on the Registrar's registration books on a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest.

The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Registered Owner of such Bond and the Paying Agent (provided, however, that the City shall not be required to make funds available to the Paying Agent prior to the dates specified in the Registrar Agreement). All such payments shall be made in lawful money of the United States of America, without deduction for services of the Registrar or Paying Agent.

Section 7. Prior Redemption.

A. The Bonds of either series will be subject to redemption prior to maturity at the option of the City as set forth in the Sale Certificate.

B. The Term Bonds, if any, shall be subject to mandatory sinking fund redemption at the times and in the amounts set forth in the Sale Certificate, at a redemption price equal to 100% of the principal amount so redeemed plus accrued interest thereon to the date fixed for redemption. On or before the thirtieth day prior to each sinking fund payment date, the Registrar will proceed to call the Term Bonds (or any Term Bond or Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the next December 15, and give notice of such call without further instruction or notice from the City.

At its option, to be exercised on or before the sixtieth day next preceding each sinking fund redemption date, the City may (a) deliver to the Registrar for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any

Term Bonds subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Registrar at the principal amount thereof on the obligation of the City on such sinking fund redemption date and the principal amount of Term Bonds to be redeemed by operation of such sinking fund on such date will be accordingly reduced. The City will on or before the sixtieth day next preceding each sinking fund redemption date furnish the Registrar with its certificate indicating whether or not and to what extent the provisions of (a) and (b) above are to be availed with respect to such sinking fund payment.

C. In the case of Bonds of either series in a denomination larger than \$5,000, a portion of such Bonds (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the Owner of such Bonds, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof.

D. Notice of any redemption shall be given by the Paying Agent in the name of the City by sending a copy of such notice by first-class mail, postage prepaid, not more than 60 days and not less than 30 days prior to the redemption date to the Registered Owner of any Bond all or a portion of which is called for redemption at his or her address as it last appears on the registration books kept by the Registrar. Failure to give such notice by mailing to the Registered Owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bonds.

All official notices of redemption shall be dated and shall state:

- (i) the redemption date;
- (ii) the redemption price;
- (iii) if less than all Outstanding Bonds of either series are to be redeemed, the identification of the Bonds of such series (and, in the case of partial redemption, the respective principal amounts and interest rate) to be redeemed;
- (iv) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(v) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Operations Office of the Paying Agent or such other office as shall be designated by the Paying Agent.

Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity and interest rate in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Notwithstanding the provisions of this section, any notice of optional redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Section 8. Lien on Pledged Revenues; Special Obligations. The Bonds constitute a pledge of, and an irrevocable first lien (but not an exclusive first lien), on all of the Pledged Revenues. The Bonds are equitably and ratably secured by a pledge of and lien on the Pledged Revenues. All of the Bonds, together with the interest accruing thereon shall be payable and collectible solely out of the Pledged Revenues, which are hereby irrevocably so pledged; the Registered Owner or Owners of the Bonds may not look to any general or other fund of the City or the Authority for the payment of the principal of and interest on the Bonds, except the

designated special funds and accounts pledged therefor. The Bonds shall not constitute an indebtedness nor a debt within the meaning of the Charter or any State constitutional or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City or the Authority.

Pursuant to Section 11-507-208(1) of the Supplemental Act, a public entity may pledge all or any portion of its revenues to the payment of its securities unless the use of such revenues is restricted by other laws of the state. Pursuant to such authority, together with the authority granted by the 2007 Election, the 2011 Election, and Section 31-25-807(3)(a)(IV)(B) of the Act, the City hereby irrevocably pledges to the repayment of the Bonds one hundred percent of the property taxes produced by the levy at the rate fixed each year by or for the City upon the valuation for assessment of taxable property within the boundaries of the Plan of Development Area which is in excess of the valuation for assessment of taxable property within the boundaries of the Plan of Development Area certified as the base amount by the County Assessor pursuant to Sections 31-25-807(3)(a)(IV) and 31-25-807(3)(f) of the Act. Such amounts shall constitute Pledged Revenues for all purposes of this Ordinance.

The creation, perfection, enforcement, and priority of the Pledged Revenues to secure or pay the Bonds as provided herein shall be governed by Section 11-57-208 of the Supplemental Act and this Ordinance. The Pledged Revenues, as received by or otherwise credited to the City or the Authority, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act.

Section 9. Form of Bonds and Registration Panel. The Bonds and the registration panel shall be substantially as follows (provided that any portion of the Bond text may, with appropriate references, be printed on the back of the Bonds), with such omissions, insertions, endorsements, and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Ordinance, or be consistent with this Ordinance and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

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(Form of Bond)

UNITED STATES OF AMERICA  
STATE OF COLORADO  
COUNTY OF MESA

CITY OF GRAND JUNCTION, COLORADO  
DOWNTOWN DEVELOPMENT AUTHORITY  
[TAX-EXEMPT] [TAXABLE] INCREMENT REVENUE BOND  
SERIES 2012[A][B]

R- \_\_\_\_\_ \$ \_\_\_\_\_

INTEREST RATE      MATURITY DATE      DATED DATE      CUSIP

\_\_\_\_\_ %

REGISTERED OWNER:

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The City of Grand Junction, in the County of Mesa and State of Colorado (the “City”), for value received, promises to pay to the registered owner specified above, or registered assigns, solely from the special funds provided therefor, the principal amount specified above, on the maturity date specified above, and to pay from said sources interest thereon on June 15 and December 15 of each year, commencing on \_\_\_\_\_, 201\_, at the interest rate per annum specified above, until the principal sum is paid or payment has been provided therefor. This bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this bond. The principal of this bond is payable upon presentation and surrender hereof to the City’s registrar and paying agent (the “Registrar” or the “Paying Agent”), initially Zions First National Bank, Denver, Colorado, at its principal operations office located in the City of Denver, Colorado. Interest on this bond will be paid on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), by check or draft mailed to the person in whose name this bond is registered (the “registered owner”) in the registration records of the City maintained by the Registrar at its principal operations office and at the address

appearing thereon at the close of business on the last business day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner hereof at the close of business on a special record date for the payment of any defaulted interest (the "Special Record Date"). Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the bonds of the series of which this is one (the "Bonds") not less than ten days prior to the Special Record Date. Alternative means of payment of interest may be used if mutually agreed to between the registered owner of any Bond and the Paying Agent, as provided in the ordinance of the City authorizing the issuance of the Bonds (the "Bond Ordinance"). All such payments shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent or Registrar. Terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Ordinance. The Bonds are [not] subject to redemption prior to maturity.

The Bonds are issued in fully registered form, in denominations equal to the principal amount of the Bonds maturing on each maturity date. Subject to the aforementioned restriction, the Bonds are transferable only as set forth in the Bond Ordinance.

The City and the Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of making payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Bond Ordinance with respect to Regular and Special Record Dates for the payment of interest.

The Bonds are authorized for the purpose of defraying wholly or in part the costs of the Project, for the payment of costs and expenses incidental thereto and to the issuance of the Bonds, all under the authority of and in full conformity with the Constitution and laws of the State of Colorado, including the Act, the 2007 Election and/or the 2011 Election, and pursuant to the Bond Ordinance duly adopted, published and made a law of the City, all prior to the issuance of this bond. As provided in the Act, this bond and the interest thereon is exempt from taxation by the State of Colorado, except inheritance, estate and transfer taxes. The Bonds are also issued

pursuant to the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, of the Colorado Revised Statutes, as amended (the “Supplemental Act”). Pursuant to Section 11-57-210 of the Supplemental Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

The Bonds do not constitute a debt or an indebtedness of the City or the Grand Junction Downtown Development Authority (the “Authority”) within the meaning of any applicable charter, constitutional or statutory provision or limitation. This bond shall not be considered or held to be a general obligation of the City, and is payable from, and constitutes a pledge of and an irrevocable first lien (but not an exclusive first lien) on all of the Pledged Revenues, all as more specifically provided in the Bond Ordinance.

The Bonds constitute a pledge of, and an irrevocable first lien (but not an exclusive first lien), on all of the Pledged Revenues. The Bonds are equitably and ratably secured by a pledge of and first lien (but not an exclusive first lien) on the Pledged Revenues.

Payment of the principal of and interest on this bond shall be made from, and as security for such payment there are irrevocably pledged, pursuant to the Bond Ordinance, moneys deposited and to be deposited into the Bond Account, which account the City has covenanted under the Bond Ordinance to pay from the Pledged Revenues a sum sufficient, together with other moneys available in the Bond Account therefor, to pay when due the principal of and interest on the Bonds, the City’s Downtown Development Authority, [Tax-Exempt] [Taxable] Tax-Increment Revenue Bonds, Series 2012[A][B], and any Additional Bonds. Except as otherwise specified in the Bond Ordinance, this bond is entitled to the benefits of the Bond Ordinance equally and ratably both as to principal and interest with all other Bonds issued and to be issued under the Bond Ordinance, to which reference is made for a description of the rights of the Owners of the Bonds and the rights and obligations of the City. Reference is made to the Bond Ordinance for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds, the receipt and disposition of the Pledged Revenues, the nature and extent of the security, the terms and conditions under which Additional Bonds payable from the Pledged Revenues may be issued, the rights, duties and obligations of the City, and the rights of the Owners of the Bonds; and by the acceptance of this bond the registered owner hereof assents to all provisions of the Bond Ordinance. The principal of and the interest

on this bond shall be paid, and this bond is transferable, free from and without regard to any equities between the City and the original or any intermediate Owner hereof or any setoffs or cross-claims.

This bond must be registered in the name of the registered owner as to both principal and interest on the registration records kept by the Registrar at its Principal Operations Office in conformity with the provisions stated herein and endorsed herein and subject to the terms and conditions set forth in the Bond Ordinance. No transfer of this bond shall be valid unless made in accordance with the restrictions set forth herein and in the Bond Ordinance and on the registration records maintained at the Principal Operations Office of the Registrar by the registered owner or his attorney duly authorized in writing.

It is further certified and recited that all the requirements of law have been fully complied with by the proper City officers in the issuance of this bond.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication herein.

IN TESTIMONY WHEREOF, the City Council of the City of Grand Junction has caused this bond to be signed and executed in its name with a manual or facsimile signature of the President of the City Council, and to be signed, executed and attested with a manual or facsimile signature of the City Clerk, with a manual or facsimile impression of the seal of the City affixed hereto, all as of the date specified above.

(Manual or Facsimile Signature)

President of the City Council

(MANUAL OR FACSIMILE SEAL)

Attest:

(Manual or Facsimile Signature)

City Clerk

(End of Form of Bond)

(Form of Registrar's Certificate of Authentication)

This is one of the Bonds described in the within-mentioned Bond Ordinance, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

Date of Authentication  
and Registration: \_\_\_\_\_

ZIONS FIRST NATIONAL BANK

By: \_\_\_\_\_  
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to transfer the same on the registration records of the Registrar, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
(Firm or Bank)

Authorized Signature

Name and Address of transferee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Social Security or other tax  
identification number of transferee:

\_\_\_\_\_

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

TRANSFER FEES MAY BE CHARGED

(End of Form of Assignment)

(Form of Prepayment Panel)

The following installments of principal (or portion thereof) of this bond have been prepaid in accordance with the terms of the Bond Ordinance authorizing the issuance of this bond.

<u>Date of Prepayment</u>	<u>Principal Prepaid</u>	<u>Signature of Authorized Representative of the Purchaser</u>

(End of Form of Prepayment Panel)

Section 10. Negotiability. Subject to the registration provisions hereof, the Bonds shall be fully negotiable and shall have all of the qualities of negotiable paper, and the Owner or Owners thereof shall possess all of the rights enjoyed by the holders or owners of negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities. The principal of and interest on the Bonds shall be paid, and the Bonds shall be transferable, free from and without regard to any equities between the City and the original or any intermediate owner of any Bonds or any setoffs or cross-claims.

Section 11. Execution. The Bonds shall be executed in the name and on behalf of the City by the signature of the President, shall be sealed with a manual or facsimile impression of the seal of the City and attested by the signature of the City Clerk. Each Bond shall be authenticated by the manual signature of an authorized officer or employee of the Registrar as hereinafter provided. The signatures of the President and the City Clerk may be by manual or facsimile signature. The Bonds bearing the manual or facsimile signatures of the officers in office at the time of the authorization thereof shall be the valid and binding obligations of the City (subject to the requirement of authentication by the Registrar as hereinafter provided), notwithstanding that before the delivery thereof and payment therefor or before the issuance of the Bonds upon transfer, any or all of the persons whose manual or facsimile signatures appear thereon shall have ceased to fill their respective offices. The President and the City Clerk shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures any facsimiles thereof appearing on the Bonds. At the time of the execution of the signature certificate, the President and the City Clerk may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds.

No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form provided, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by the Registrar if manually signed by an authorized officer or employee of the Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially



delivered pursuant to this Ordinance, the Registrar shall be deemed to have assented to the provisions of this Ordinance.

Section 12. Registration and Transfer.

A. Except as provided in Section 13 hereof, records for the registration and transfer of the Bonds shall be kept by the Registrar, which is hereby appointed by the City as registrar (*i.e.*, transfer agent) for the Bonds. Upon the surrender for transfer of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall enter such transfer on the registration records and shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same series, of a like aggregate principal amount and of the same interest rate and maturity, bearing a number or numbers not previously assigned. The Registrar may impose reasonable charges in connection with such transfers of Bonds, which charges (as well as any tax or other governmental charge required to be paid with respect to such transfer) shall be paid by the registered owner requesting such transfer.

B. The person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute Owner thereof for the purpose of making payment thereof and for all other purposes; except as may be otherwise provided in Section 6 hereof with respect to payment of interest; and, subject to such exception, payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

C. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it and the City may reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed, or mutilated Bond shall have matured or is about to become due and payable, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

D. The officers of the City are authorized to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in custody by the Registrar pending use as herein provided.

E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the City.

Section 13. Book Entry.

A. The Bonds shall initially be registered in the name(s) of the Purchaser(s) thereof and be delivered in physical form, however upon the request of any Owner of the Bonds, The Depository Trust Company may act as depository for the Bonds registered in the name of such Owner. The Bonds for which The Depository Trust Company is acting as depository shall be executed and delivered as set forth herein with a separate fully registered certificate (in printed or type-written form) for each maturity and interest rate of such series of such Bonds. The ownership of any Bonds for which The Depository Trust Company is acting as depository shall be registered in the registration books kept by the Registrar, in the name of Cede & Co., as the nominee of The Depository Trust Company or such other nominee as The Depository Trust Company shall appoint in writing. Any Bonds registered in the name of The Depository Trust Company may not thereafter be transferred or exchanged except:

1. to any successor of The Depository Trust Company or its nominee, which successor must be both a “clearing corporation” as defined in Section 4-8-102(a)(5), C.R.S. and a qualified and registered “clearing agency” under Section 17A of the Securities Exchange Act of 1934, as amended; or

2. upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or this clause (2) of this paragraph A, or a determination by the Council that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions and the designation by the Council of another depository institution acceptable to the Council and to the depository then holding the Bonds, which new depository institution must be both a “clearing corporation” as defined in Section 4-8-102(a)(5), C.R.S. and a qualified and registered “clearing agency” under Section

17A of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

3. upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or clause (2) of this paragraph A, or a determination of the Council that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions, and the failure by the Council, after reasonable investigation, to locate another qualified depository institution under clause (2) to carry out such depository functions.

B. In the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause (1) of paragraph A hereof or designation of a new depository pursuant to clause (2) of paragraph A hereof, upon receipt of the Outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity of each series of the Bonds then Outstanding shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) of paragraph A hereof and the failure after reasonable investigation to locate another qualified depository institution for the Bonds as provided in clause (3) of paragraph A hereof, and upon receipt of the Outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in the denominations of \$5,000 or any integral multiple thereof, as provided in and subject to the limitations of Section 12 hereof, registered in the names of such Persons, and in such authorized denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The City, the Registrar and the Paying Agent shall be entitled to treat the Registered Owner of any Bond as the absolute owner thereof for all purposes hereof and of any applicable laws, notwithstanding any notice to the contrary received by any or all of them, and the City, the Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by The Depository Trust Company or any successor or new depository named pursuant to paragraph A hereof.

D. The City, the Registrar and the Paying Agent shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause (1) or (2) of paragraph A hereof in effectuating payment of the principal amount of the Bonds upon maturity or prior redemption by arranging for payment in such a manner that funds representing such payments are available to the depository on the date they are due.

Section 14. Delivery of Bonds and Disposition of Proceeds. When the Bonds have been duly executed by appropriate City officers and authenticated by the Registrar, the City shall cause the Bonds to be delivered to the Purchaser(s) thereof on receipt of the agreed purchase price. The Bonds shall be delivered in such denominations as the Purchaser(s) thereof shall direct, subject in all respects to Section 6 hereof.

The proceeds of the Bonds shall be deposited promptly by the City and shall be accounted for in the following manner and are hereby pledged therefor, but the Purchaser(s) of the Bonds or any subsequent Owner in no manner shall be responsible for the application or disposal by the City or any of its officers of any of the funds derived from the sale:

A. All proceeds of the 2012A Bonds shall be credited to the “City of Grand Junction, Colorado, Downtown Development Authority, 2012A Tax-Exempt Tax Increment Project Fund,” hereby created, to be used for the Project and for the costs of issuance of the 2012A Bonds. After payment of all costs of the Project and costs of issuance of the 2012A Bonds, or after adequate provision therefor is made, any unexpended balance of the proceeds of the 2012A Bonds shall be deposited in the Bond Account and applied to the payment of the principal of and interest on the 2012A Bonds.

B. All proceeds of the 2012B Bonds shall be credited to the “City of Grand Junction, Colorado, Downtown Development Authority, 2012B Taxable Tax Increment Project Fund,” hereby created, to be used for the Project and for the costs of issuance of the 2012B Bonds. After payment of all costs of the Project and costs of issuance of the 2012B Bonds, or after adequate provision therefor is made, any unexpended balance of the proceeds of the 2012B Bonds shall be deposited in the Bond Account and applied to the payment of the principal of and interest on the 2012B Bonds.

Section 15. Use of Pledged Revenues. So long as any Bonds shall be Outstanding, either as to principal or interest, all Pledged Revenues in the Tax Increment Fund shall be applied as described below:

A. Bond Account. A special account is hereby created and designated as the “City of Grand Junction, Colorado, Downtown Development Authority, Tax Increment Revenue Bond Account” (the “Bond Account”). The Bond Account shall be held, administered and distributed by the City in accordance with the terms of this Ordinance. The Pledged Revenues remaining in the Tax Increment Fund shall be credited immediately to the Bond Account until the total amount accumulated therein is equal to the sum of the following:

(i) Interest payments. The aggregate amount of the next maturing installment of interest on the Bonds, plus

(ii) Principal payments. The aggregate amount of the next maturing installment of principal of the Bonds.

Once there has been accumulated in the Bond Account the entire amount necessary for the payment of principal of and interest on the Bonds in the current Fiscal Year, no moneys need be deposited in the Bond Account until the following Fiscal Year. The moneys in the Bond Account shall be used only to pay the principal of, prior redemption premium, if any, and interest on the Bonds as the same becomes due.

A similar bond account shall be created for any series of Additional Bonds and payments into such account shall be made contemporaneously with and have the same priority as payments into the Bond Account created hereunder.

B. Termination Upon Deposits to Maturity. No payment need be made into the Bond Account if the amount in the Bond Account totals a sum at least equal to the entire amount of the Outstanding Bonds, both as to principal and interest to their respective maturities, in which case moneys in the Bond Account in an amount at least equal to such principal and interest requirements shall be used solely to pay such as the same accrue, and any moneys in excess thereof in the Bond Account may be withdrawn and used for any lawful purpose.

C. Defraying Delinquencies in Bond Account. If on any required payment date the City shall for any reason not have in the Bond Account the full amount above stipulated, then the City shall deposit into the Bond Account, contemporaneously with the pro rata deposit

into the similar bond account created for any series of Additional Bonds, from the first Pledged Revenues thereafter received and not required to be applied otherwise by this Section (but excluding any payments required for any obligations subordinate to the Bonds) an amount equal to the difference between the amount then on deposit in the Bond Account and the amount needed to make the payments due on said payment date.

In the event that said first moneys credited to the Tax Increment Fund have been insufficient during a given Fiscal Year to meet the principal and interest requirements on the Bonds to be paid during said Fiscal Year, then during the month of December of said Fiscal Year, the City may at its option and sole discretion, transfer to the Bond Account from surplus legally available funds a sum equal to the amount needed to meet said debt service requirements due and owing on the Bonds. The City intends to include the question of whether to so replenish the Bond Account on its agenda in December of any Fiscal Year for which the balance of the Bond Account is inadequate to meet said debt service requirements. If and to the extent the City decides to replenish the Bond Account from surplus legally available funds, all such City moneys deposited into the Bond Account shall be deemed a loan to the Tax Increment Fund, to be paid back on an annually subordinate basis pursuant to paragraph F of this Section as a “subordinate obligation.”

The moneys in the Bond Account shall be used solely for the purpose of paying the principal of, redemption premium, if any, and the interest on the Bonds; provided, that any moneys in the Bond Account in excess of accrued and unaccrued principal and interest requirements to the respective maturities of the Outstanding Bonds, and not needed for rebate to the United States government, may be used as provided in paragraphs F and G of this Section.

D. Reserve Account. Next, there shall be deposited into any reserve account created in connection with the issuance of any Additional Bonds such amounts as are required to be deposited, if any, by the ordinance authorizing such Additional Bonds. A reserve account may be created for any series of Additional Bonds and payments into such account shall be made contemporaneously with payments made into the reserve funds for any other series of Additional Bonds outstanding.

E. Rebate Account. Next, there shall be deposited in a special account hereby created and to be known as the “City of Grand Junction, Colorado, Downtown

Development Authority, 2012A Tax-Exempt Tax Increment Revenue Bonds Rebate Account” (the “Rebate Account”) amounts required by Section 148(f) of the Tax Code to be held until such time as any required rebate payment is made. Amounts in the Rebate Account shall be used for the purpose of making the payments to the United States required by Section 148(f) of the Tax Code. Any amounts in excess of those required to be on deposit therein by Section 148(f) of the Tax Code shall be withdrawn therefrom and deposited into the Bond Account. Funds in the Rebate Account shall not be subject to the lien created by this Ordinance to the extent such amounts are required to be paid to the United States Treasury. A similar rebate account may be created for any series of Additional Bonds and payments into such account shall have the same priority as payments into the Rebate Account created hereunder.

F. Payment for Subordinate Obligations. After the payments required by paragraphs A, C, D and E of this Section, the Pledged Revenues shall be used by the City for the payment of interest on and principal of any obligations secured by Pledged Revenues subordinate to the lien of the Bonds (including the repayment of any City loan to replenish the Bond Account), hereafter authorized to be issued, including reasonable reserves therefor.

G. Use of Remaining Revenues. After making the payments required to be made by this Section, any remaining Pledged Revenues may be used for any lawful purpose. Without limiting the foregoing, to the extent permitted by law, the City is hereby authorized to transfer any and all remaining Pledged Revenues which constitute investment income on moneys in the Tax Increment Fund to the Authority to be used for administrative expenses.

Section 16. General Administration of Accounts. The accounts designated in Sections 14 and 15 hereof and the Tax Increment Fund shall be administered as follows subject to the limitations stated in Section 19K hereof:

A. Budget and Appropriation of Accounts. The sums provided to make the payments specified in Section 15 hereof are hereby appropriated for said purposes, and said amounts for each year shall be included in the annual budget and the appropriation ordinance or measures to be adopted or passed by the Council in each year respectively while any of the Bonds, either as to principal or interest, are Outstanding and unpaid.

B. Places and Times of Deposits. Each of the special accounts created in Sections 14 and 15 hereof and the Tax Increment Fund shall be maintained as a book account

kept separate and apart from all other accounts or funds of the City as trust accounts solely for the purposes herein designated therefor. For purposes of investment of moneys, nothing herein prevents the commingling of moneys accounted for in any two or more such book accounts pertaining to the Pledged Revenues or to such accounts and any other funds of the City to be established under this Ordinance. Moneys in any such book account shall be continuously secured to the fullest extent required by the laws of the State for the securing of public accounts. Each periodic payment shall be credited to the proper book account not later than the date therefor herein designated, except that when any such date shall be a Saturday, a Sunday or a legal holiday, then such payment shall be made on or before the next preceding Business Day.

C. Investment of Accounts. Any moneys in any account established by Sections 14 and 15 hereof and the Tax Increment Fund may be invested or reinvested in any Permitted Investment. Securities or obligations purchased as such an investment shall either be subject to redemption at any time at face value by the holder thereof at the option of such holder, or shall mature at such time or times as shall most nearly coincide with the expected need for moneys from the account in question. Securities or obligations so purchased as an investment of moneys in any such account shall be deemed at all times to be a part of the applicable account. The City shall present for redemption or sale on the prevailing market any securities or obligations so purchased as an investment of moneys in a given account whenever it shall be necessary to do so in order to provide moneys to meet any required payment or transfer from such account. The City shall have no obligation to make any investment or reinvestment hereunder, unless any moneys on hand and accounted for in any one account exceed \$5,000 and at least \$5,000 therein will not be needed for a period of not less than 60 days. In such event the City shall invest or reinvest not less than substantially all of the amount which will not be needed during such 60-day period, except for any moneys on deposit in an interest-bearing account in a Commercial Bank, without regard to whether such moneys are evidenced by a certificate of deposit or otherwise, pursuant to this paragraph C and paragraph E of this Section; but the City is not required to invest, or so to invest in such a manner, any moneys accounted for hereunder if any such investment would contravene the covenant concerning arbitrage in Section 19K hereof.



D. No Liability for Losses Incurred in Performing Terms of Ordinance.

Neither the City nor any officer of the City shall be liable or responsible for any loss resulting from any investment or reinvestment made in accordance with this Ordinance.

E. Character of Funds.

The moneys in any fund or account herein authorized shall consist of lawful money of the United States or investments permitted by paragraph C of this Section or both such money and such investments. Moneys deposited in a demand or time deposit account in or evidenced by a certificate of deposit of a Commercial Bank pursuant to paragraph C of this Section, appropriately secured according to the laws of the State, shall be deemed lawful money of the United States.

Section 17. Additional Bonds.

A. Limitations Upon Issuance of Additional Bonds.

Nothing in this Ordinance shall be construed in such a manner as to prevent the issuance by the City of Additional Bonds payable from and constituting a lien upon the Pledged Revenues on a parity with the lien of the Bonds; but before any such Additional Bonds are authorized or actually issued (excluding any parity refunding securities refunding either series of Bonds or a part thereof, as provided in Section 18 hereof), the following provisions B through F must all first be satisfied.

B. Absence of Default.

At the time of the adoption of the supplemental ordinance or other instrument authorizing the issuance of the Additional Bonds, the City shall not be in default in making any payments required by Section 15 hereof.

C. Historic Revenues Test.

The Tax Increments constituting Pledged Revenues, as certified by the Finance Director, received in the last complete Fiscal Year immediately preceding the date of the issuance of such Additional Bonds, shall have been sufficient to pay an amount at least equal to 100% of the sum derived by adding the following: (i) the Average Annual Debt Service for the Outstanding Bonds and (ii) the Average Annual Debt Service for the Additional Bonds proposed to be issued.

D. Adjustment of Historic Revenues.

In the computation of the historic revenues test set forth in this Section, the amount of the Tax Increments constituting Pledged Revenues for such Fiscal Year may be increased by the amount of gain which will result from any increase in the amount of the assessed valuation of taxable property within the Plan of

Development Area, or the mill levy or percentage of sales tax which will be applied in the City during that Fiscal Year as provided in final ordinances, certifications, or resolutions of the City or county or other taxing authority, approved if required by the electors, providing for such increase.

E. Adequate Reserves. The City may, at its option, provide for the creation and maintenance of a reserve fund in connection with the issuance of any Additional Bonds.

F. Reduction of Annual Requirements. The respective annual debt service requirements set forth in this Section (including as such a requirement, the amount of any prior redemption premiums due on any redemption date as of which the City shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of bonds or securities for redemption) shall be reduced to the extent such debt service requirements are scheduled to be paid in each of the respective Fiscal Years with moneys held in trust or in escrow for that purpose by any Trust Bank located within or without the State, including the known minimum yield from any investment of such moneys in Governmental Obligations and bank deposits, including any certificate of deposit.

G. Certification of Revenues. In the case of the computation of the revenue tests provided in paragraph C of this Section and when adjusted in the manner provided in paragraph D of this Section, the specified and required written certification by the Finance Director that such annual revenues are sufficient to pay such amounts as provided in paragraph C of this Section shall be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver Additional Bonds on a parity with the then Outstanding Bonds.

H. Subordinate Securities Permitted. Nothing herein prevents the City from issuing additional bonds or other additional securities for any lawful purpose payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds.

I. Superior Securities Prohibited. Nothing herein permits the City to issue bonds or other securities payable from the Pledged Revenues and having a lien thereon prior and superior to the lien thereon of the Bonds.

Section 18. Refunding Obligations.

A. Generally. If at any time after the Bonds of either series, or any part thereof, shall have been issued and remain Outstanding, the City shall find it desirable to refund any Outstanding obligations payable from the Pledged Revenues, said obligations, or any part thereof, may be refunded, subject to the provisions of paragraph B of this Section, if (1) the obligations to be refunded, at the time of their required surrender for payment, shall then mature or shall then be callable for prior redemption at the City's option upon proper call, or (2) the owners of the obligations to be refunded consent to such surrender and payment.

B. Protection of Obligations Not Refunded. Any refunding obligations payable from the Pledged Revenues shall be issued with such details as the Council may provide, so long as there is no impairment of any contractual obligation imposed upon the City by any proceedings authorizing the issuance of any unrefunded portion of obligations payable from the Pledged Revenues; but so long as any Bonds of either series are Outstanding, refunding obligations payable from the Pledged Revenues may be issued on a parity with the unrefunded Bonds of either series only if:

(i) Prior Consent. The City first receives the consent of the Owner or Owners of the unrefunded Bonds of such series; or

(ii) Requirements. The refunding obligations do not increase by more than \$25,000, for any Fiscal Year prior to and including the last maturity date of any unrefunded Bonds of such series, the aggregate principal and interest requirements evidenced by such refunding obligations and by any Outstanding Bonds of such series not refunded, and the lien of any refunding parity obligations on the Pledged Revenues is not raised to a higher priority than the lien thereon of any obligations thereby refunded; or

(iii) Earnings Tests. The refunding obligations are issued in compliance with Section 17 hereof.

Section 19. Protective Covenants. The City hereby additionally covenants and agrees with each and every Owner of the Bonds that:

A. Use of Bond Proceeds. The City will proceed with the Project without delay and with due diligence.

B. Payment of Bonds. The City will promptly pay the principal of and interest on every Bond issued hereunder and secured hereby on the dates and in the manner

specified herein and in said Bonds according to the true intent and meaning hereof. Such principal and interest is payable solely from the Pledged Revenues.

C. Amendment of the Resolution; Continuance and Collection of Taxes. The Resolution is now in full force and effect and has not been repealed or amended.

The City shall not make any further modification of the Resolution or the Plan which would reduce the Tax Increments deposited or to be deposited in the Tax Increment Fund or otherwise materially impair the pledged security for the Bonds unless the required consent is obtained, all as provided in Section 28 hereof.

The City shall maintain the Tax Increment Fund as a fund of the City separate and distinct from all other funds of the City and immediately upon receipt or collection of the Tax Increments shall deposit the Tax Increments (less 20% of the Tax Increments originating from municipal sales tax revenues for a portion of the Plan of Development Area and 30% of such increments from another portion of the Plan of Development Area as provided in Grand Junction City Resolution No. 28-83) into said fund.

The City shall take all reasonable action necessary to collect delinquent payments of the ad valorem and sales taxes owing from the Plan of Development Area or to cause such delinquent payments to be collected.

The foregoing covenants are subject to compliance by the City with its Charter, any legislation of the United States or the State or any regulation or other action taken by the federal government or any State agency or any political subdivision of the State pursuant to such legislation, in the exercise of the police power thereof or the public welfare, which legislation, regulation or action applies to the City as a Colorado municipality and limits or otherwise inhibits the amount of such tax revenues due to the City. All of the Tax Increments (less 20% of the Tax Increments originating from municipal sales tax revenues for a portion of the Plan of Development Area and 30% of such increments from another portion of the Plan of Development Area as provided in Grand Junction City Resolution No. 28-83) shall be subject to the payment of the debt service requirements of all Bonds payable from the Pledged Revenues and the Tax Increment Fund, including reserves therefor if any, as provided herein or in any instrument supplemental or amendatory hereto.

D. Defense of Legality of Application and Use of Tax Increments. There is not pending or threatened any suit, action or proceeding against or affecting the City before or by any court, arbitrator, administrative agency or other governmental authority which affects the validity or legality of this Ordinance, the Resolution, or the imposition and collection of the Tax Increments, any of the City's obligations under this Ordinance or any of the transactions contemplated by this Ordinance or the Resolution.

The City shall, to the extent permitted by law, defend the validity and legality of the collection of the Tax Increments and any taxes contributing thereto, this Ordinance and the Resolution, and all amendments thereto against all claims, suits and proceedings which would diminish or impair the Pledged Revenues or Tax Increment Fund as security for the Bonds.

Except as specified in this Ordinance, the City has not assigned or pledged the Pledged Revenues or Tax Increment Fund in any manner which would diminish the security for the payment of the Bonds.

E. Further Assurances. At any and all times the City shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge, deliver and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, the Pledged Revenues and other funds and accounts hereby pledged or assigned, or intended so to be, or which the City may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Ordinance. The City, acting by and through its officers, or otherwise, shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of said Pledged Revenues and other funds and accounts pledged hereunder and all the rights of every Owner of any of the Bonds against all claims and demands of all Persons whomsoever.

F. Conditions Precedent. Upon the issuance of any of the Bonds, all conditions, acts and things required by the Constitution or laws of the United States, the Constitution or laws of the State, the Charter or this Ordinance to exist, to have happened, and to have been performed precedent to or in the issuance of the Bonds shall exist, have happened and have been performed, and the Bonds, together with all other obligations of the City, shall not

contravene any debt or other limitation prescribed by the Constitution or laws of the United States, the Constitution or laws of the State or the Charter.

G. Records. So long as any of the Bonds remain Outstanding, proper books of record and account will be kept by the City, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues and the accounts created or continued by this Ordinance.

H. Audits. The City further agrees that it will cause an audit of such books and accounts to be made by a certified public accountant, who is not an employee of the City, showing the Pledged Revenues. The City agrees to allow the Owner of any of the Bonds to review and copy such audits and reports, at the City's offices, at his request. Copies of such audits and reports will be furnished to the Purchaser(s).

I. Performing Duties. The City will faithfully and punctually perform or cause to be performed all duties with respect to the Pledged Revenues required by the Charter and the Constitution and laws of the State and the ordinances and resolutions of the City, including but not limited to the segregation of the Pledged Revenues as set forth in Section 15 hereof and their application to the respective accounts herein designated.

J. Other Liens. As of the date of issuance of the Bonds, there are no liens or encumbrances of any nature whatsoever on or against any of the Pledged Revenues.

K. Tax Covenants. The City covenants for the benefit of the Registered Owners of the 2012A Bonds that it will not take any action or omit to take any action with respect to the 2012A Bonds, the proceeds thereof, any other funds of the City or any facilities financed or refinanced with the proceeds of the 2012A Bonds if such action or omission (i) would cause the interest on the 2012A Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, (ii) would cause interest on the 2012A Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations, or (iii) would cause interest on the 2012A Bonds to lose its exemption from Colorado taxation (except inheritance, estate and transfer taxes) under present Colorado law. The foregoing covenant shall remain in full force

and effect notwithstanding the payment in full or defeasance of the 2012A Bonds until the date on which all obligations of the City in fulfilling the above covenant under the Tax Code and Colorado law have been met.

The City covenants for the benefit of the Registered Owners of the 2012B Bonds that it will not take any action or omit to take any action with respect to the 2012B Bonds, the proceeds thereof, any other funds of the City or any facilities financed or refinanced with the proceeds of the 2012B Bonds if such action or omission would cause interest on the 2012B Bonds to lose its exemption from Colorado taxation (except inheritance, estate and transfer taxes) under present Colorado law. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2012B Bonds until the date on which all obligations of the City in fulfilling the above covenant under Colorado law have been met.

L. City's Existence. The City will maintain its corporate identity and existence so long as any of the Bonds remain Outstanding, unless another political subdivision by operation of law succeeds to the duties, privileges, powers, liabilities, disabilities, immunities and rights of the City and is obligated by law to receive and distribute the Pledged Revenues in place of the City, without materially adversely affecting the privileges and rights of any Owner of any Outstanding Bonds.

M. Continuing Disclosure. The City covenants for the benefit of the Owners and, if applicable, beneficial owners of the Bonds that it will comply with the Continuing Disclosure Certificate which will be executed by City officers in connection with the delivery of the Bonds. Any Owner, or, if any portion of the Bonds is registered in the name of The Depository Trust Company, any beneficial owner, may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligation under this subsection; provided that the City shall incur no pecuniary liability for failure to comply with this subsection.

N. Prompt Collections. The City will cause the Pledged Revenues to be collected promptly and accounted for in the accounts as herein provided.

O. Surety Bonds. Each official of the City having custody of the Pledged Revenues, or responsible for their handling, shall be fully bonded at all times, which bond shall be conditioned upon the proper application of such money.

P. Prejudicial Contracts and Action Prohibited. No contract will be entered into, nor will any action be taken, by the City by which the rights and privileges of any Owner are impaired or diminished.

Section 20. Defeasance. If, when the Bonds shall be paid in accordance with their terms (or payment of the Bonds has been provided for in the manner set forth in the following paragraph), then this Ordinance and all rights granted hereunder shall thereupon cease, terminate and become void and be discharged and satisfied.

Payment of any Outstanding Bond shall prior to the maturity or redemption date thereof be deemed to have been provided for within the meaning and with the effect expressed in this Section if (a) in case said Bond is to be redeemed on any date prior to its maturity, the City shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give on a date in accordance with the provisions of Section 7 hereof notice of redemption of such Bond on said redemption date, such notice to be given in accordance with the provisions of Section 7 hereof, (b) there shall have been deposited with the Paying Agent or a commercial bank exercising trust powers either moneys in an amount which shall be sufficient, or Federal Securities which shall not contain provisions permitting the redemption thereof at the option of the issuer, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Paying Agent or other commercial bank exercising trust powers at the same time, shall be sufficient to pay when due the principal of, premium if any, and interest due and to become due on said Bond on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bond is not by its terms subject to redemption within the next sixty days, the City shall have given the Paying Agent in form satisfactory to it irrevocable instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 7 hereof, a notice to the Owner of such Bond that the deposit required by (b) above has been made with the Paying Agent or other commercial bank exercising trust powers and that payment of said Bond has been provided for in accordance with this section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium if any, and interest of said Bond. Neither such securities nor moneys deposited with the Paying Agent or other commercial bank exercising trust powers



pursuant to this section or principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium if any, and interest of said Bond; provided any cash received from such principal or interest payments on such Federal Securities deposited with the Paying Agent or other commercial bank exercising trust powers, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities of the type described in (b) of this paragraph maturing at times and in amounts sufficient to pay when due the principal of, premium if any, and interest to become due on said Bond on or prior to such redemption date or maturity date thereof, as the case may be. At such time as payment of a Bond has been provided for as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this Ordinance, except for the purpose of any payment from such moneys or securities deposited with the Paying Agent or other commercial bank exercising trust powers.

In the case of the 2012B Bonds, the City is obligated to contribute additional securities or monies to the escrow or trust if necessary to provide sufficient amounts to satisfy the payment obligations on the 2012B Bonds.

The release of the obligations of the City under this section shall be without prejudice to the right of the Paying Agent to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable expenses, charges and other disbursements incurred on or about the administration of and performance of its powers and duties hereunder.

Upon compliance with the foregoing provisions of this section with respect to all Bonds Outstanding, this Ordinance may be discharged in accordance with the provisions of this section but the liability of the City in respect of the Bonds shall continue; provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Federal Securities deposited with the Paying Agent or other commercial bank exercising trust powers as provided in this Section.

Section 21. Further Authority. The officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing; the printing of the Bonds, the acceptance of the proposal(s) of the Purchaser(s) to purchase the Bonds and the execution of any purchase contract(s) in connection therewith, and the execution of such certificates as may

be required by the Purchaser(s), including, but not necessarily limited to, the absence and existence of factors affecting the exclusion of interest on the 2012A Bonds from gross income for federal income tax purposes.

Section 22. Events of Default. Each of the following events is hereby declared an “event of default:”

A. Nonpayment of Principal. If payment of the principal of any of the Bonds shall not be made when the same shall become due and payable at maturity; or

B. Nonpayment of Interest. If payment of any installment of interest on the Bonds shall not be made when the same becomes due and payable; or

C. Incapable to Perform. If the City shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

D. Default of Any Provision. If the City shall default in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Ordinance on its part to be performed, other than those delineated in paragraphs A and B of this Section, and if such default shall continue for 60 days after written notice specifying such default and requiring the same to be remedied shall have been given to the City by the Owners of not less than 25% in aggregate principal amount of the Bonds of either series then Outstanding.

Section 23. Remedies. Upon the happening and continuance of any event of default as provided in Section 22 hereof, the Owner or Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds of either series, or a trustee therefor, may protect and enforce their rights hereunder by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, the appointment of a receiver (the consent of such appointment being hereby granted), injunctive relief, or requiring the Council to act as if it were the trustee of an express trust, or any combination of such remedies. All proceedings shall be maintained for the equal benefit of all Owners of Bonds. The failure of any Owner to proceed does not relieve the City or any Person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right available to the Owners of Bonds and the exercise of any right by any Owner shall not be deemed a waiver of any other right.

Section 24. Duties Upon Default. Upon the happening of any of the events of default as provided in Section 22 hereof, the City, in addition, will do and perform all proper acts on behalf of and for the Owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to ensure the payment of the principal of and interest on said Bonds promptly as the same become due. Proceeds derived from the Pledged Revenues, so long as any of the Bonds herein authorized, either as to principal or interest, are Outstanding and unpaid, shall be paid into the Bond Account, pursuant to the terms hereof and to the extent provided herein, and used for the purposes herein provided. In the event the City fails or refuses to proceed as in this Section provided, the Owner or Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding, after demand in writing, may proceed to protect and enforce the rights of such Owners as hereinabove provided.

Section 25. Approvals, Authorizations, and Amendments. The forms of the Request for Qualifications, the Registrar Agreement, and the Continuing Disclosure Certificate are hereby approved. The City shall enter into and perform its obligations under the Request for Qualifications, the Registrar Agreement, and the Continuing Disclosure Certificate in the forms of each of such documents as on file with the City, with only such changes therein as are not inconsistent herewith. The President is hereby authorized and directed to execute the Registrar Agreement and the Continuing Disclosure Certificate. The City Clerk is hereby authorized to attest and to affix the seal of the City, as necessary, to this Ordinance, the Registrar Agreement, and the Continuing Disclosure Certificate, and the President and the City Clerk are further authorized to execute, attest, seal and authenticate such other documents, instruments or certificates as are deemed necessary or desirable by bond counsel in order to issue and secure the Bonds. Such documents are to be executed in substantially the forms hereinabove approved, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Ordinance. Copies of all of the documents shall be delivered, filed and recorded as provided therein.

Either the President or the Finance Director has the authority to accept the proposal(s) of the Purchaser(s) to purchase the Bonds, to execute any purchase contract(s) in connection therewith, and to execute the Sale Certificate in connection therewith, all subject to the parameters and restrictions contained in Section 6 hereof.

The proper officers of the City are hereby authorized and directed to prepare and furnish to bond counsel certified copies of all proceedings and records of the City relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof as such facts appear from the books and records in such officers' custody and control or as otherwise known to them.

The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by bond counsel prior to the execution of the documents. The execution of any instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof.

Section 26. Replacement of Registrar or Paying Agent. The Registrar or Paying Agent may resign at any time on 30 days' prior written notice to the City. The City may remove said Registrar or Paying Agent upon 30 days' prior written notice to the Registrar and/or Paying Agent, as the case may be. No resignation or removal of the Registrar or Paying Agent shall take effect until a successor has been appointed; provided, that if no successor is appointed by the end of 90 days, the Paying Agent or Registrar may petition a court of competent jurisdiction to appoint a successor. If the Registrar or Paying Agent initially appointed shall resign, or if the City shall remove said Registrar or Paying Agent, the City may, upon notice mailed to each Registered Owner of any Bond, at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareowners' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000 or shall be an officer of the City. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the City shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

Any company or national banking association into which the Registrar or Paying Agent may be merged or converted or with which it may be consolidated or any company or national banking association resulting from any merger, conversion or consolidation to which it

shall be a party or any company or national banking association to which the Registrar or Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible, shall be the successor to such Registrar or Paying Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 27. Limited Offering Memorandum. The distribution and use of the Limited Offering Memorandum by the Finance Director in connection with the offering and sale of the Bonds is in all respects hereby ratified, approved and confirmed. The execution of the Limited Offering Memorandum by the President or the Finance Director shall be conclusively deemed to evidence the approval of the form and contents thereof by the City.

Section 28. Amendment. After any of the Bonds have been issued, this Ordinance shall constitute a contract between the City and the Owners of the Bonds and shall be and remain irrevocable until the Bonds and the interest thereon have been fully paid, satisfied and discharged.

A. The City may, without the consent of, or notice to the Owners of the Bonds, adopt such ordinances supplemental hereto (which supplemental amendments shall thereafter form a part hereof) for any one or more or all of the following purposes:

(i) to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in this Ordinance, or to make any provisions with respect to matters arising under this Ordinance or for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds;

(ii) to subject to the lien of this Ordinance additional revenues, properties or collateral;

(iii) to grant or confer upon the Registrar for the benefit of the registered owners of the Bonds any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the registered owners of the Bonds; or

(iv) to qualify this Ordinance under the Trust Indenture Act of 1939, as amended.

B. Exclusive of the amendatory ordinances permitted by paragraph A of this Section, this Ordinance may be amended or supplemented by ordinance adopted by the Council

in accordance with the law, without receipt by the City of any additional consideration but with the written consent of the Owners of at least 66% in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such amendatory or supplemental ordinance; provided, however, that, without the written consent of the Owners of all of the Bonds adversely affected thereby, no such ordinance shall have the effect of permitting:

- (i) An extension of the maturity of any Bond authorized by this Ordinance; or
- (ii) A reduction in the principal amount of any Bond or the rate of interest thereon; or
- (iii) The creation of a lien upon or pledge of Pledged Revenues ranking prior to the lien or pledge created by this Ordinance; or
- (iv) A reduction of the principal amount of Bonds required for consent to such amendatory or supplemental ordinance; or
- (v) The establishment of priorities as between Bonds issued and Outstanding under the provisions of this Ordinance; or
- (vi) The modification of or otherwise affecting the rights of the Owners of less than all of the Bonds then Outstanding.

Section 29. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal of or interest on the Bonds. Such recourse shall not be available either directly or indirectly through the Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any Person purchasing or selling such Bond specifically waives any such recourse.

Section 30. Severability. If any one or more sections, sentences, clauses or parts of this Ordinance shall for any reason be held invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this Ordinance so held unconstitutional or invalid, and the inapplicability and invalidity of any section, sentence, clause

or part of this Ordinance in any one or more instances shall not affect or prejudice in any way the applicability and validity of this Ordinance in any other instances.

Section 31. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Bonds shall contain a recital that they are issued pursuant to the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 32. Repealer. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 33. Ordinance Irrepealable. After any of the Bonds herein authorized are issued, this Ordinance shall constitute a contract between the City and the Owners of the Bonds, and shall be and remain irrepealable until the Bonds and interest thereon shall be fully paid, canceled and discharged as herein provided.

Section 34. Disposition of Ordinance. This Ordinance, as adopted by the Council, shall be numbered and recorded by the City Clerk in the official records of the City. The adoption and publication shall be authenticated by the signatures of the President and City Clerk, and by the certificate of publication.

Section 35. Effective Date. This Ordinance shall be in full force and effect 30 days after publication following final passage.

INTRODUCED, PASSED ON FIRST READING, APPROVED AND ORDERED PUBLISHED IN PAMPHLET FORM this 17<sup>th</sup> day of October, 2012.

CITY OF GRAND JUNCTION, COLORADO

[ S E A L ]

---

President of the City Council

Attest:

---

City Clerk

INTRODUCED, PASSED ON SECOND READING, APPROVED AND ORDERED PUBLISHED IN PAMPHLET FORM this 7<sup>th</sup> day of November, 2012.

CITY OF GRAND JUNCTION, COLORADO

[ S E A L ]

---

President of the City Council

Attest:

---

City Clerk



STATE OF COLORADO            )  
   )  
 COUNTY OF MESA                ) SS.  
   )  
 CITY OF GRAND JUNCTION    )

I, Stephanie Tuin, the City Clerk of the City of Grand Junction, Colorado (the “City”) and Clerk to the City Council of the City (the “Council”), do hereby certify that:

1. The foregoing pages are a true, correct and complete copy of an ordinance (the “Ordinance”) which was introduced, passed on first reading and ordered published in full by the Council at a regular meeting thereof held on October 17, 2012 and was duly adopted and ordered published in full by the Council at a regular meeting thereof held on November 7, 2012, which Ordinance has not been revoked, rescinded or repealed and is in full force and effect on the date hereof.

2. The Ordinance was duly moved and seconded and the Ordinance was passed on first reading at the meeting of October 17, 2012, by an affirmative vote of a majority of the members of the Council as follows:

<u>Councilmember</u>	<u>Voting “Aye”</u>	<u>Voting “Nay”</u>	<u>Absent</u>	<u>Abstaining</u>
Bill Pitts				
Laura Luke				
Tom Kenyon				
Sam Susuras				
Bennett Boeschenstein				
Teresa Coons				
Jim Doody				

3. The Ordinance was duly moved and seconded and the Ordinance was finally passed on second reading at the meeting of November 7, 2012, by an affirmative vote of a majority of the members of the Council as follows:

<u>Councilmember</u>	<u>Voting "Aye"</u>	<u>Voting "Nay"</u>	<u>Absent</u>	<u>Abstaining</u>
Bill Pitts				
Laura Luke				
Tom Kenyon				
Sam Susuras				
Bennett Boeschenstein				
Teresa Coons				
Jim Doody				

4. The members of the Council were present at such meetings and voted on the passage of such Ordinance as set forth above.

5. The Ordinance was approved and authenticated by the signature of the President of the Council, sealed with the City seal, attested by the City Clerk and recorded in the minutes of the Council.

6. There are no bylaws, rules or regulations of the Council which might prohibit the adoption of said Ordinance.

7. Notices of the meetings of October 17, 2012 and November 7, 2012 in the forms attached hereto as Exhibit A were posted at City Hall in accordance with law.

8. The Ordinance was published in pamphlet form in The Daily Sentinel, a daily newspaper of general circulation in the City, on October \_\_, 2012 and November \_\_, 2012 as required by the City Charter. True and correct copies of the affidavits of publication are attached hereto as Exhibit B.

WITNESS my hand and the seal of the City affixed this \_\_\_\_ day of November, 2012.

---

City Clerk and Clerk to the Council

[ S E A L ]

EXHIBIT A

(Attach Notices of Meetings of October 17, 2012 and November 7, 2012)

EXHIBIT B

(Attach Affidavits of Publication)



Date: September 28, 2012  
 Author: Lori V. Bowers  
 Title/ Phone Ext: Senior Planner / 4033  
 Proposed Schedule: 1st  
Reading Sept. 5<sup>th</sup> for annexation;  
October 3<sup>rd</sup> 1<sup>st</sup> reading for zoning.  
 2nd Reading: Oct. 17, 2012  
 File #: ANX-2012-374

**Attach 4**  
**CITY COUNCIL AGENDA ITEM**

<b>Subject:</b> Annexation and Zoning of the Rohner Annexation, Located at 249 Abraham Avenue
<b>Action Requested/Recommendation:</b> Adopt a Resolution Accepting the Petition for the Rohner Annexation, Hold a Public Hearing to Consider Final Passage and Final Publication in Pamphlet Form of the Proposed Annexation and Zoning Ordinances
<b>Presenter(s) Name &amp; Title:</b> Lori V. Bowers, Senior Planner

**Executive Summary:**

A request to annex one parcel, 0.44 acres, located at 249 Abraham Avenue, to an R-4 (Residential – 4 units) zone district. The Rohner Annexation area is 1.63 acres, containing 51,595 square feet of public right-of-way.

**Background, Analysis and Options:**

The property requesting annexation into the City is located at 249 Abraham Avenue. There are two dwelling units on this parcel, addressed as Units 1 and 2. They were constructed in 2003. When construction on the dwelling units was completed, the owner/developer chose to condominiumize the units instead of subdividing them, thus avoiding annexation per the Persigo Agreement. The new owners of Unit 1 initiated the request for annexation. They also initiated a request to subdivide the lot into two lots so each dwelling unit would sit on its own lot and terminating the condominium status. The owners of Unit 2 are supportive of the request and are a party to this application.

Under the 1998 Persigo Agreement with Mesa County, the City shall zone newly annexed areas with a zone that is either identical to current County zoning or conforms to the City’s Comprehensive Plan Future Land Use Map. The proposed zoning of R-4 conforms to the Future Land Use Map, which has designated the properties as Residential Medium Low. The zoning designation of R-4 is also similar to the County zoning of RSF-4 (Residential Single Family – 4 units per acre).

**How this item relates to the Comprehensive Plan Goals and Policies:**

**Goal 1:** To implement the Comprehensive Plan in a consistent manner between the City, Mesa County, and other service providers.

The request to subdivide the subject parcel triggers the 1998 Persigo Agreement. Upon annexation the property will be zoned to reflect the existing zoning and it will reflect the zoning allowed by the Future Land Use Map of the Comprehensive Plan. The R-4 zoning is similar to the County zoning designation of RSF-4, therefore retaining consistency between the City and Mesa County and it will be consistent with the built environment.

**Board or Committee Recommendation:**

The Planning Commission forwards a recommendation of approval to City Council from their meeting of September 11, 2012. The item was considered non-controversial and was placed on the Consent Agenda.

**Financial Impact/Budget:**

N/A

**Legal issues:**

N/A

**Other issues:**

There are no other issues with this application.

**Previously presented or discussed:**

The City obtained land use jurisdiction on September 5, 2012. First reading of the Zoning Ordinance was October 3, 2012.

**Attachments:**

1. Staff report/Background information
2. Annexation Summary
3. Annexation Map / Aerial Photo Map
4. Comprehensive Plan / Existing City and County Zoning Map
5. Resolution Accepting the Petition
6. Annexation Ordinance
7. Zoning Ordinance

<b>STAFF REPORT / BACKGROUND INFORMATION</b>				
<b>Location:</b>		249 Abraham Avenue		
<b>Applicants:</b>		Robert and Jo Ann Rohner / Goode Family Trust		
<b>Existing Land Use:</b>		Residential Condominium		
<b>Proposed Land Use:</b>		Residential Single-Family Attached		
<b>Surrounding Land Use:</b>	<b>North</b>	Elementary School		
	<b>South</b>	Residential		
	<b>East</b>	Residential		
	<b>West</b>	Residential		
<b>Existing Zoning:</b>		County RSF-4		
<b>Proposed Zoning:</b>		R-4 (Residential – 4 units)		
<b>Surrounding Zoning:</b>	<b>North</b>	County RSF-4		
	<b>South</b>	County RSF-4		
	<b>East</b>	County RSF-4		
	<b>West</b>	County RSF-4		
<b>Future Land Use Designation:</b>		Residential Medium Low		
<b>Zoning within density range?</b>		X	<b>Yes</b>	<b>No</b>

**Staff Analysis:**

**ANNEXATION:**

This annexation area consists of 1.63 acres of land and is comprised of one parcel. The property owners have requested annexation into the City to allow for development of the property. Under the 1998 Persigo Agreement all proposed development within the Persigo Wastewater Treatment boundary requires annexation and processing in the City.

It is staff's opinion, based on review of the petition and knowledge of applicable state law, including the Municipal Annexation Act Pursuant to C.R.S. 31-12-104, that the Rohner Annexation is eligible to be annexed because of compliance with the following:

- a) A proper petition has been signed by more than 50% of the owners and more than 50% of the property described;
- b) Not less than one-sixth of the perimeter of the area to be annexed is contiguous with the existing City limits;
- c) A community of interest exists between the area to be annexed and the City. This is so in part because the Central Grand Valley is essentially a single demographic and economic unit and occupants of the area can be expected to, and regularly do, use City streets, parks and other urban facilities;
- d) The area is or will be urbanized in the near future;
- e) The area is capable of being integrated with the City;
- f) No land held in identical ownership is being divided by the proposed annexation;

- g) No land held in identical ownership comprising 20 contiguous acres or more with an assessed valuation of \$200,000 or more for tax purposes is included without the owner's consent.

The following annexation and zoning schedule is being proposed.

<b><i>ANNEXATION SCHEDULE</i></b>	
<b>Sept. 5, 2012</b>	Referral of Petition (30 Day Notice), Introduction of a Proposed Ordinance, Exercising Land Use
<b>Sept. 11, 2012</b>	Planning Commission considers Zone of Annexation
<b>Oct. 3, 2012</b>	Introduction of a Proposed Ordinance on Zoning by City Council
<b>Oct. 17, 2012</b>	Acceptance of Petition and Public Hearing on Annexation and Zoning by City Council
<b>Nov. 18, 2012</b>	Effective date of Annexation and Zoning



<b>ROHNER ANNEXATION SUMMARY</b>		
<b>File Number:</b>		ANX-2012-374
<b>Location:</b>		249 Abraham Avenue
<b>Tax ID Numbers:</b>		2943-304-09-006 & 2943-304-09-007
<b># of Parcels:</b>		1
<b>Estimated Population:</b>		4
<b># of Parcels (owner occupied):</b>		one
<b># of Dwelling Units:</b>		2
<b>Acres land annexed:</b>		1.63
<b>Developable Acres Remaining:</b>		0
<b>Right-of-way in Annexation:</b>		51,595 square feet
<b>Previous County Zoning:</b>		RSF-4
<b>Proposed City Zoning:</b>		R-4 (Residential – 4 units)
<b>Current Land Use:</b>		Residential
<b>Future Land Use:</b>		Residential
<b>Values:</b>	<b>Assessed:</b>	\$20,780
	<b>Actual:</b>	\$261,100
<b>Address Ranges:</b>		249 Abraham Avenue
<b>Special Districts:</b>	<b>Water:</b>	Ute Water Conservation
	<b>Sewer:</b>	Orchard Mesa Sanitation
	<b>Fire:</b>	Grand Junction Fire
	<b>Irrigation/ Drainage:</b>	Orchard Mesa Irrigation /
	<b>School:</b>	Lincoln O.M. Elementary / Orchard Mesa Middle / Central High School
	<b>Pest:</b>	Grand River Mosquito – East Valley

Section 21.02.140(a) of the Grand Junction Municipal Code:

Zone of Annexation: The requested zone of annexation to the R-4 (Residential – 4 units) zone district is consistent with the Comprehensive Plan designation of Residential Medium Low. The existing County zoning is RSF-4 (Residential Single Family – 4 units per acre). Section 21.02.160(f) of the Grand Junction Municipal Code, states that the zoning of an annexation area shall be consistent with the adopted Comprehensive Plan and the criteria set forth. Generally, future development should be at a density equal to or greater than the allowed density of the applicable County zoning district.

In order for the zoning to occur, the following questions must be answered and a finding of consistency with the Grand Junction Municipal Code must be made per Section 21.02.140(a) as follows:

(1) Subsequent events have invalidated the original premises and findings; and/or

Response: The annexation is triggered by the Persigo Agreement. The applicants wish to subdivide their property and change its status from a condominium to single-family attached units.

(2) The character and/or condition of the area has changed such that the amendment is consistent with the Plan; and/or

Response: The character or conditions of the area has not changed, but the applicants wish to subdivide their property. This subdivision will be consistent with the requirements of the Persigo Agreement.

(3) Public and community facilities are adequate to serve the type and scope of land use proposed; and/or

Response: The residential structure already exists and is adequately served by public utilities.

(4) An inadequate supply of suitably designated land is available in the community, as defined by the presiding body, to accommodate the proposed land use; and/or

Response: N/A

(5) The community or area, as defined by the presiding body, will derive benefits from the proposed amendment.

Response: N/A

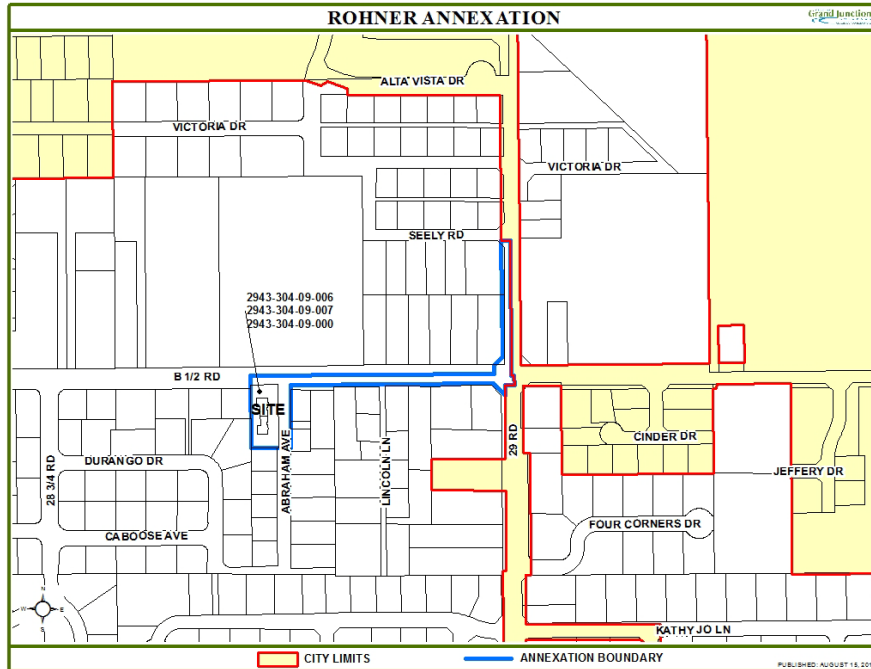
#### PLANNING COMMISSION RECOMMENDATION:

After reviewing the Rohner Annexation, ANX-2012-374, for a Zone of Annexation, the Planning Commission makes the following findings of fact and conclusions:

1. The requested zone is consistent with the goals and policies of the Comprehensive Plan.
2. The review criteria in Section 21.02.140 of the Grand Junction Municipal Code have all been met.

# Annexation Map

Figure 1



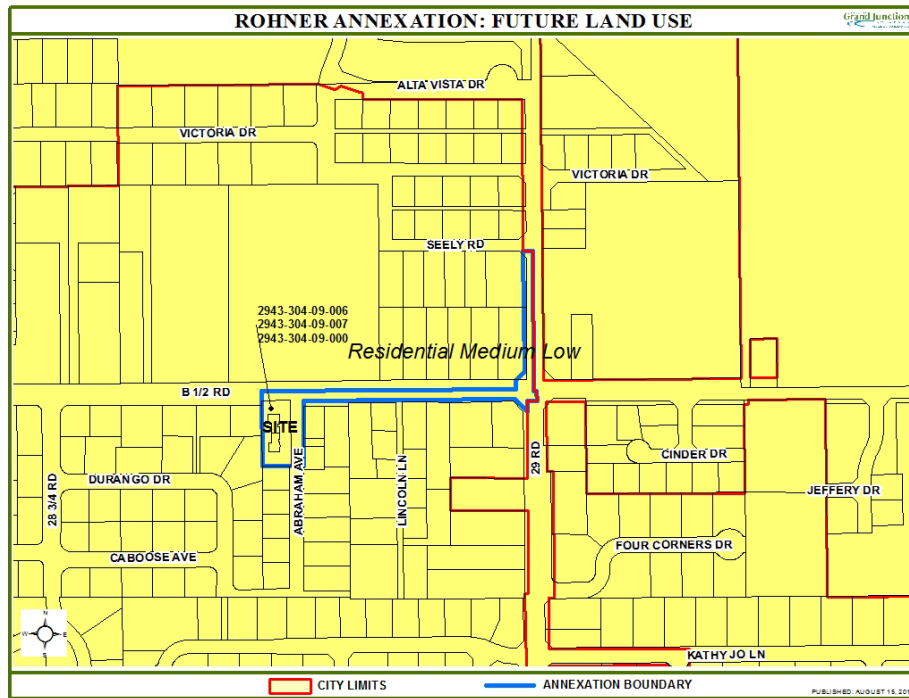
# Aerial Photo Map

Figure 2



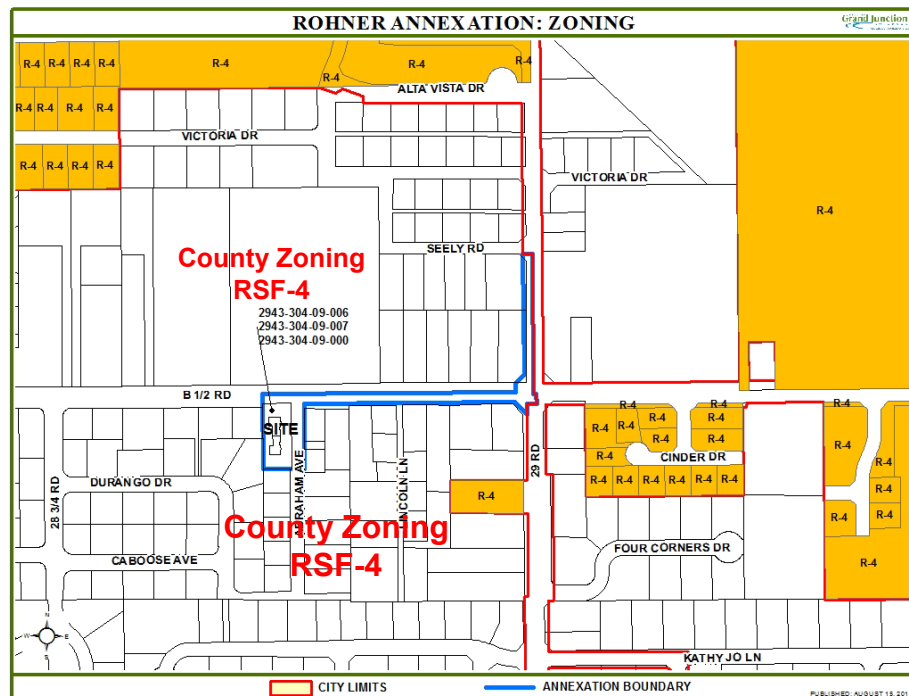
# Comprehensive Plan Map

Figure 3



# Existing City and County Zoning Map

Figure 4



**CITY OF GRAND JUNCTION, COLORADO**

**RESOLUTION NO. \_\_\_-12**

**A RESOLUTION ACCEPTING A  
PETITION FOR ANNEXATION,  
MAKING CERTAIN FINDINGS,  
DETERMINING THAT PROPERTY KNOWN AS THE**

**ROHNER ANNEXATION**

**LOCATED AT 249 ABRAHAM AVENUE AND  
INCLUDING A PORTION OF THE 29 ROAD AND B ½ ROAD RIGHT-OF-WAY**

**IS ELIGIBLE FOR ANNEXATION**

WHEREAS, on the 5<sup>th</sup> day of September, 2012, a petition was referred 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:

**ROHNER ANNEXATION**

A certain parcel of land lying in the Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4) and the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4) of Section 30, Township 1 South, Range 1 East of the Ute Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

BEGINNING at the West Quarter (W 1/4) corner of said Section 30 and assuming the South line of the SE 1/4 NE 1/4 of said Section 30 bears S 89°56'51" W with all other bearings contained herein being relative thereto; thence from said Point of Beginning, N 00°11'59" W along the East line of the SE 1/4 NE 1/4 of said Section 30, a distance of 443.59 feet; thence S 89°56'51" W a distance of 30.00 feet; thence S 00°11'59" E along the West right of way for 29 Road, being a line 30.00 feet West of and parallel with, the East line of the SE 1/4 NE 1/4 of said Section 30, a distance of 384.52 feet; thence S 44°30'47" W along the West right of way for 29 Road, a distance of 40.54 feet; thence S 00°03'09" E a distance of 30.00 feet to a point on the North line of the NE 1/4 SE 1/4 of said Section 30; thence S 89°56'51" W, along the North line of the NE 1/4 SE 1/4 of said Section 30, a distance of 810.11 feet; thence S 00°03'13" E along the West line of the 2885 B-1/2 Road Condominium, as same is recorded in Book 3560, Page 967, Public Records of Mesa County, Colorado, a distance of 238.71 feet; thence S 89°56'00" E along the South line of said Condominium, a distance of 142.00 feet to a point on the East right of way for Abraham Avenue; thence N 00°03'13" W along the East right of way for Abraham Avenue, a distance of 209.01 feet to a point on the South right of way for B-1/2 Road; thence N 89°56'51" E along said South right of way, being a line 30.00 feet South of and parallel with the North line of the NE 1/4 SE 1/4 of said Section 30, a distance of 664.70 feet; thence S 45°06'58" E, along the South right of way for B-1/2 Road, a distance of 45.41 feet; thence N 00°10'55" W a distance of 32.08 feet; thence N 89°56'51" E, a distance of 30.00 feet to a point on the East line of the NE 1/4 SE 1/4 of

said Section 30; thence N 00°10'55" W, along the East line of the NE 1/4 SE 1/4 of said Section 30, a distance of 30.00 feet, more or less, to the Point of Beginning.

CONTAINING 70,805 Square Feet or 1.63 Acres, more or less, as described.

WHEREAS, a hearing on the petition was duly held after proper notice on the 17<sup>th</sup> day of October 2012; 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; that no land held in identical ownership has been divided without the consent of the landowner; that no land held in identical ownership comprising more than twenty acres which, together with the buildings and improvements thereon, has an assessed valuation in excess of two hundred thousand dollars is included without the landowner's consent; and that no election is required under the Municipal Annexation Act of 1965.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT;**

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

ADOPTED the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

Attest:

\_\_\_\_\_  
President of the Council

\_\_\_\_\_  
City Clerk

**CITY OF GRAND JUNCTION, COLORADO**

**ORDINANCE NO.**

**AN ORDINANCE ANNEXING TERRITORY TO THE  
CITY OF GRAND JUNCTION, COLORADO**

**ROHNER ANNEXATION**

**APPROXIMATELY 1.63 ACRES**

**LOCATED AT 249 ABRAHAM AVENUE AND  
INCLUDING A PORTION OF THE 29 ROAD AND B ½ ROAD RIGHT-OF-WAY**

**WHEREAS**, on the 5<sup>th</sup> day of September, 2012, the City Council of the City of Grand Junction considered a petition for the annexation of the following described territory to the City of Grand Junction; and

**WHEREAS**, a hearing on the petition was duly held after proper notice on the 17<sup>th</sup> day of October, 2012; and

**WHEREAS**, the City Council determined that said territory was eligible for annexation and that no election was necessary to determine whether such territory should be annexed;

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

That the property situates in Mesa County, Colorado, and described to wit:

**ROHNER ANNEXATION**

A certain parcel of land lying in the Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4) and the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4) of Section 30, Township 1 South, Range 1 East of the Ute Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

BEGINNING at the West Quarter (W 1/4) corner of said Section 30 and assuming the South line of the SE 1/4 NE 1/4 of said Section 30 bears S 89°56'51" W with all other bearings contained herein being relative thereto; thence from said Point of Beginning, N 00°11'59" W along the East line of the SE 1/4 NE 1/4 of said Section 30, a distance of 443.59 feet; thence S 89°56'51" W a distance of 30.00 feet; thence S 00°11'59" E along the West right of way for 29 Road, being a line 30.00 feet West of and parallel with, the East line of the SE 1/4 NE 1/4 of said Section 30, a distance of 384.52 feet; thence S 44°30'47" W along the West right of way for 29 Road, a distance of 40.54 feet; thence S 00°03'09" E a distance of 30.00 feet to a point on the North line of the NE 1/4 SE 1/4 of

said Section 30; thence S 89°56'51" W, along the North line of the NE 1/4 SE 1/4 of said Section 30, a distance of 810.11 feet; thence S 00°03'13" E along the West line of the 2885 B-1/2 Road Condominium, as same is recorded in Book 3560, Page 967, Public Records of Mesa County, Colorado, a distance of 238.71 feet; thence S 89°56'00" E along the South line of said Condominium, a distance of 142.00 feet to a point on the East right of way for Abraham Avenue; thence N 00°03'13" W along the East right of way for Abraham Avenue, a distance of 209.01 feet to a point on the South right of way for B-1/2 Road; thence N 89°56'51" E along said South right of way, being a line 30.00 feet South of and parallel with the North line of the NE 1/4 SE 1/4 of said Section 30, a distance of 664.70 feet; thence S 45°06'58 E, along the South right of way for B-1/2 Road, a distance of 45.41 feet; thence N 00°10'55" W a distance of 32.08 feet; thence N 89°56'51" E, a distance of 30.00 feet to a point on the East line of the NE 1/4 SE 1/4 of said Section 30; thence N 00°10'55" W, along the East line of the NE 1/4 SE 1/4 of said Section 30, a distance of 30.00 feet, more or less, to the Point of Beginning.

CONTAINING 70,805 Square Feet or 1.63 Acres, more or less, as described.

Be and is hereby annexed to the City of Grand Junction, Colorado.

**INTRODUCED** on first reading on the 5<sup>th</sup> day of September, 2012 and ordered published in pamphlet form.

**ADOPTED** on second reading the \_\_\_\_\_ day of \_\_\_\_\_, 2012 and ordered published in pamphlet form.

Attest:

\_\_\_\_\_  
President of the Council

\_\_\_\_\_  
City Clerk



**CITY OF GRAND JUNCTION, COLORADO**

**ORDINANCE NO.**

**AN ORDINANCE ZONING THE ROHNER ANNEXATION  
TO R-4 (RESIDENTIAL – 4 UNITS)**

**LOCATED AT 249 ABRAHAM AVENUE**

Recitals

After public notice and public hearing as required by the Grand Junction Municipal Code, the Grand Junction Planning Commission recommended approval of zoning the Rohner Annexation to the R-4 (Residential – 4 units) zone district finding that it conforms with the recommended land use category as shown on the future land use map of the Comprehensive Plan and the Comprehensive Plan's goals and policies and is generally compatible with land uses located in the surrounding area. The zone district meets the criteria found in Section 21.02.140 of the Grand Junction Municipal Code.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the R-4 (Residential – 4 units) zone district is in conformance with the stated criteria of Section 21.02.140 of the Grand Junction Municipal Code.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION  
THAT:**

The following property be zoned R-4 (Residential – 4 units).

**ROHNER ANNEXATION**

A certain parcel of land lying in the Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4) and the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4) of Section 30, Township 1 South, Range 1 East of the Ute Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

BEGINNING at the West Quarter (W 1/4) corner of said Section 30 and assuming the South line of the SE 1/4 NE 1/4 of said Section 30 bears S 89°56'51" W with all other bearings contained herein being relative thereto; thence from said Point of Beginning, N 00°11'59" W along the East line of the SE 1/4 NE 1/4 of said Section 30, a distance of 443.59 feet; thence S 89°56'51" W a distance of 30.00 feet; thence S 00°11'59" E along the West right of way for 29 Road, being a line 30.00 feet West of and parallel with, the East line of the SE 1/4 NE 1/4 of said Section 30, a distance of 384.52 feet; thence S 44°30'47" W along the West right of way for 29 Road, a distance of 40.54 feet; thence S 00°03'09" E a distance of 30.00 feet to a point on the North line of the NE 1/4 SE 1/4 of said Section 30; thence S 89°56'51" W, along the North line of the NE 1/4 SE 1/4 of said Section 30, a distance of 810.11 feet; thence S 00°03'13" E along the West line of the 2885 B-1/2 Road Condominium, as same is recorded in Book 3560, Page 967, Public

Records of Mesa County, Colorado, a distance of 238.71 feet; thence S 89°56'00" E along the South line of said Condominium, a distance of 142.00 feet to a point on the East right of way for Abraham Avenue; thence N 00°03'13" W along the East right of way for Abraham Avenue, a distance of 209.01 feet to a point on the South right of way for B-1/2 Road; thence N 89°56'51" E along said South right of way, being a line 30.00 feet South of and parallel with the North line of the NE 1/4 SE 1/4 of said Section 30, a distance of 664.70 feet; thence S 45°06'58 E, along the South right of way for B-1/2 Road, a distance of 45.41 feet; thence N 00°10'55" W a distance of 32.08 feet; thence N 89°56'51" E, a distance of 30.00 feet to a point on the East line of the NE 1/4 SE 1/4 of said Section 30; thence N 00°10'55" W, along the East line of the NE 1/4 SE 1/4 of said Section 30, a distance of 30.00 feet, more or less, to the Point of Beginning.

CONTAINING 70,805 Square Feet or 1.63 Acres, more or less, as described.

LESS 51,595 square feet or 1.18 acres, more or less, of Road right-of-way

**INTRODUCED** on first reading the 3<sup>rd</sup> day of October, 2012 and ordered published in pamphlet form.

**ADOPTED** on second reading the \_\_\_\_\_ day of \_\_\_\_\_, 2012 and ordered published in pamphlet form.

ATTEST:

\_\_\_\_\_  
President of the Council

\_\_\_\_\_  
City Clerk



Date: October 9, 2012  
 Author: Trent Prall  
 Title/ Phone Ext: Engineering  
Manager, ext. 4047  
 Proposed Schedule: October 17, 2012  
 2nd Reading  
 (if applicable): N/A  
 \_\_\_\_\_  
 File # (if applicable): N/A

**Attach 5**  
**CITY COUNCIL AGENDA ITEM**

<p><b>Subject:</b> Contract Amendment #1 for Architectural Services for the Avalon Theatre Addition and Renovation</p>
<p><b>Action Requested/Recommendation:</b> Authorize the City Purchasing Division to Amend the Existing Contract with Westlake, Reed, Leskosky of Cleveland, OH for Architectural Services to a Total of \$873,829.</p>
<p><b>Presenter(s) Name &amp; Title:</b> Debbie Kovalik, Economic, Convention, and Visitor Services Director          Harry Weiss, Downtown Development Authority Director          Jay Valentine, Internal Services Manager</p>

**Executive Summary:**

This request is to amend the architectural services contract for the Avalon Theatre Addition and Renovation by \$392,800. To date, Westlake, Reed, Leskosky (WRL) has completed the 50% design work for the build-out of the Avalon Theatre Master Plan. The improvements will help transform the 91 year old theatre into a full service performing arts center. The amendment is proposed to split evenly between the DDA, City, and Avalon Theatre Foundation Board.

**Background, Analysis and Options:**

On March 7, 2012, City Council awarded a contract to the architectural firm Westlake, Reed, Leskosky (WRL) to complete the schematic design (30%) and the design development (50%) drawings for the full scope of the Avalon Theatre Addition and Renovation that was contemplated in the 2010 Master Plan. The total construction scope is estimated at \$14 million to transition the Avalon Theatre into a regional performing arts center to be funded through a combination of public monies and private philanthropy.

The funding currently sits near \$7 million and additional private funds are anticipated by the end of December. Therefore a \$7.9 million (\$6.57 construction / \$1.31 million of “soft costs”) scope of work has been proposed that is conceived as a “core” scope to move forward with construction level (100%) drawings.

This would keep WRL moving forward with completing the design on a scope of work that appears within short range of the current fundraising efforts.

WRL is utilizing at least seven local consultants, including local architects Blythe and Chamberlain, as WRL recognizes the importance of bringing in local expertise.

The contract is proposed to be amended by \$392,800 to complete the final design of \$6,570,000 construction scope. This represents about 6% of the project which is in-line with industry standards.

Construction is anticipated to begin Spring of 2013 and is envisioned to take approximately 11 months. Construction will be phased to allow the existing Avalon Theatre to function during construction as much as possible.

If private fundraising exceeds expectations by the end of December, additional scope could be added to the WRL contract in early January and still meet the April construction start.

**How this item relates to the Comprehensive Plan Goals and Policies:**

The Avalon Theatre Addition and Renovation Project supports the following Goals from the Comprehensive Plan:

***Goal 4:** Support the continued development of the downtown area of the City Center into a vibrant and growing area with jobs, housing and tourist attractions.*

Reinvestment in the Avalon Theatre is an essential component of continued development in the downtown area. The project will help transform the aging theatre into a full function performing arts center and anchor the east end of Main Street.

***Goal 8:** Create attractive public spaces and enhance the visual appeal of the community through quality development.*

This project will help complement and enhance the architectural character of the Downtown Area and will comply with the guidelines and design standards of the Strategic Downtown Master Plan. This project will incorporate historical lighting, colored concrete surfaces, landscaping, gathering areas, and other furnishings that enhance the cultural and social vitality of Main Street.

**Board or Committee Recommendation:**

The Downtown Development Authority and the Avalon Theatre Foundation Board are in agreement with the proposed scope and funding.

**Financial Impact/Budget:**

On June 20, the City Council approved a total of \$3 million (\$1.5 million in 2013 / \$1.5 million in 2014) for the project in addition to the \$110,476 for the original design contract.

Amendment #1 is proposed to be funded as shown below:

	Existing Contract	Proposed Amendment #1	
Avalon Theatre Foundation Board	\$ 100,000	\$ 130,933	
City of Grand Junction	\$ 110,476	\$ 130,933	
Downtown Development Authority	\$ 270,553	\$ 130,933	
Total	\$ 481,029	\$ 392,800	

**Legal issues:**

N/A

**Other issues:**

N/A

**Previously presented or discussed:**

N/A

**Attachments:**

Architectural renderings

