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**CITY COUNCIL AGENDA
WEDNESDAY, NOVEMBER 7, 2012**

**Section 1. 250 NORTH 5TH 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

Proclamations

Proclaiming the Month of November 2012 as "Hospice and Palliative Care Month" in the City of Grand Junction

Proclaiming November 8, 2012 as "Capitol Christmas Tree Day" in the City of Grand Junction

Proclaiming November 11, 2012 as "A Salute to All Veterans 2012" in the City of Grand Junction

Proclaiming November 15, 2012 as "America Recycles Day" in the City of Grand Junction

Certificates of Appointment

To the Grand Junction Housing Authority

Council Comments

Citizen Comments

Revised November 2, 2012

*** Indicates Changed Item*

**** Indicates New Item*

® Requires Roll Call Vote

***** CONSENT CALENDAR ***®**

1. **Minutes of Previous Meeting** [Attach 1](#)
Action: Approve the Minutes of the October 17, 2012 Regular Meeting

2. **Horizon Drive Association Business Improvement District (BID) 2013 Operating Plan and Budget** [Attach 2](#)

Every business improvement district is required to file an operating plan and budget with the City Clerk by September 30th each year. The City Council then approves or disapproves the plan and budget by December 5th. The plan was reviewed by the Horizon Drive Association BID Board and submitted within the required timeline. After further review by City staff, the plan was found to be reasonable.

Action: Approve the Horizon Drive Association Business Improvement District's 2013 Operating Plan and Budget

Staff presentation: Jodi Romero, Financial Operations Director

3. **Downtown Grand Junction Business Improvement District (DGJBID) 2013 Operating Plan and Budget** [Attach 3](#)

Every business improvement district is required to file an operating plan and budget with the City Clerk by September 30th each year. The City Council then approves or disapproves the plan and budget by December 5th. The plan was reviewed by the DGJBID Board and submitted within the required timeline. After further review by City staff, the plan was found to be reasonable.

Action: Approve the Downtown Grand Junction Business Improvement District 2013 Operating Plan and Budget

Staff presentation: Jodi Romero, Financial Operations Director

4. **Free Holiday Parking Downtown** [Attach 4](#)

The Downtown Partnership has requested free parking in the downtown area again this year during the holiday shopping season. City Staff recommends Free Holiday Parking in all of downtown, including the first floor of the Rood Avenue parking structure, with the exception of government office areas and shared-revenue lots.

Action: Vacate Parking Enforcement at all Designated, Downtown, Metered Spaces and Signed Parking from Thanksgiving to New Year's Day, Except Loading, No Parking, Handicapped, and Unbagged Meter Spaces Surrounding Government Offices and in Shared Revenue Lots. Free Metered Spaces will be Clearly Designated by Covering the Meters with the Well-known "Seasons Greetings-Free Parking" Red Plastic Bag

Staff presentation: Harry Weiss, Downtown Development Authority Director
Jodi Romero, Financial Operations Director

5. **Grand Valley Transit Public Funding** [Attach 5](#)

The City has an ongoing, annually renewable agreement with Grand Valley Transit for public transportation services within Grand Valley Transit boundaries. The City pays the Grand Valley Transit a percentage of the costs based on a formula established in an agreement that dates back to 2009. The Resolution authorizes the Mayor to sign the Resolution adopting the local match funding for the Grand Valley Transit Public Transit Services as adopted in the 2013 budget.

Resolution No. 42-12—A Resolution Concerning the Adoption of the Local Match Funding for Grand Valley Transit Pubic Transit Services for FY2013

®Action: Adopt Resolution No. 42-12

Staff presentation: Tim Moore, Deputy City Manager

6. **Contract for Lincoln Park Playground Equipment** [Attach 6](#)

This award is for the purchase of playground equipment, and the purchase and installation of Poured In Place rubberized surfacing as part of the renovations and redevelopment of Lincoln Park.

Action: Authorize the Purchasing Division to Enter Into a Contract with Children's Play Structures & Recreation, Inc. of Littleton, Colorado for the Purchase of Playground Equipment, and Purchase and Installation of Poured In Place rubberized surfacing for Lincoln Park in the amount of \$199,970

Staff presentation: Rob Schoeber, Parks and Recreation Director
Jay Valentine, Internal Services Manager

7. **Contract for Food Services for Two Rivers Convention Center** [Attach 7](#)

This award is for the contract of food services to be provided to the Two Rivers Convention Center and Lincoln Park, beginning January 1, 2013 through December 31, 2013, to include three additional, one year renewal options.

Action: Authorize the Purchasing Division to Enter Into a Contract with US Foods, Inc. of Denver, Colorado in the Estimate Aggregate Amount of \$325,000 for Food Services for Two Rivers Convention Center and Lincoln Park

Staff presentation: Debbie Kovalik, Economic, Convention, and Visitor Services Director
Jay Valentine, Internal Services Manager

8. **Contract for the 2012 Street Maintenance – Curb, Gutter, Sidewalk Repair and Replacement Project** [Attach 8](#)

This request is to award a construction contract for the concrete replacement project at various locations throughout the City of Grand Junction. This contract is to repair road sections scheduled to be overlaid in 2013 and to address higher priority “Fix It” requests received. In all, a total of 17 locations were selected.

Action: Authorize the City Purchasing Division to Enter into a Contract with Vista Paving Corporation of Grand Junction, CO for the 2012 Street Maintenance - Curb, Gutter, Sidewalk Repair and Replacement in the Amount up to \$141,322.88

Staff presentation: Trent Prall, Engineering Manager
Jay Valentine, Internal Services Manager

9. **Purchase of Cargo Van Equipped with a Color Closed Circuit Televised (CCTV) Internal Sewer Line Inspection System** [Attach 9](#)

This request is for the purchase of an extended body van that is equipped with a color CCTV camera system to be used for internal sewer line inspections.

Action: Authorize the City Purchasing Division to Purchase a Cargo Van Equipped with a Video Inspection System from DW Inspection Systems in the Amount of \$184,857

Staff presentation: Terry Franklin, Utilities and Streets Manager
Jay Valentine, Internal Services Manager

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

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

10. **Contract for a 55 kW Photovoltaic Solar System** [Attach 10](#)
- Request to enter into a contract with Sunsense, Inc., Carbondale, CO to construct a 55 kilowatt (kW) photovoltaic solar system at the Water Treatment Plant.
- Action: Authorize the City Purchasing Division to Enter into a Contract with Sunsense Inc, Carbondale, CO in an Amount of \$190,944*
- Staff presentation: Terry Franklin, Utilities and Streets Manager
Jay Valentine, Internal Services Manager
11. **Lincoln Park Renovation – Phase II Construction** [Attach 11](#)
- In 2011, the Parks and Recreation Department completed a Park Inventory and Future Needs Assessment, which is an evaluation program of all park facilities for safety, accessibility, and cost of maintenance. In conjunction with the study, a number of partner and public meetings were conducted to determine the community needs of Lincoln Park. Findings determined the accessibility into and throughout the park are sorely inadequate, and the loop road had become a hindrance to the park and not an asset.
- Action: Authorize the Purchasing Division to Enter into a Contract with All Concrete Solutions, LLC for the Construction of the Lincoln Park Renovation - Phase II Project in the Amount of \$186,345.50*
- Staff presentation: Rob Schoeber, Parks and Recreation Director
Jay Valentine, Internal Services Manager
12. **Public Hearing—Rezone Property Located at 2674 Patterson Road from R-4 (Residential 4 du/ac) to R-O (Residential Office)** [File #RZN-2012-408] [Attach 12](#)
- 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.
- Ordinance No. 4557—An Ordinance Rezoning Property Located at 2674 Patterson Road from R-4 (Residential 4 du/ac) to R-O (Residential Office)
- ®Action: Hold a Public Hearing and Consider Final Passage and Final Publication in Pamphlet Form of Ordinance No. 4557*
- Staff presentation: Senta Costello, Senior Planner

13. **Public Hearing—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 2012A and 2012B** [Attach 13](#)

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.

Ordinance No. 4558—An 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: Hold a Public Hearing and Consider Final Passage and Final Publication in Pamphlet Form of Ordinance No. 4558

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

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

15. **Other Business**

16. **Adjournment**

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

October 17, 2012

The City Council of the City of Grand Junction convened into regular session on the 17th day of October, 2012 at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Bennett Boeschstein, Teresa Coons, Jim Doody, Tom Kenyon, Laura Luke, Sam Susuras, and Council President Bill Pitts. Also present were City Manager Rich Englehart, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Pitts called the meeting to order. Council President Pitts explained the reason for the Councilmembers wearing pink. It is in recognition of Breast Cancer Awareness Month. The Fire Department, which spearheaded the recognition, has sold 570 pink t-shirts for a total of \$11,410 on behalf of local families and cancer survivors.

Councilmember Luke then led the Pledge of Allegiance, followed by moment of silence.

Presentation/Recognition

September Yard of the Month

Tom Ziola, Forestry/Horticulture Supervisor, was present and introduced Shirley Nilsen, Forestry Board Member. Ms. Nilsen introduced Marcia Hutson who resides at 642 Grand View Drive and presented her with a plaque for the September Yard of the Month. Ms. Nilsen thanked Ms. Hutson for making the community a better place to live.

Proclamation

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

Councilmember Coons read the proclamation. Mike Zamora, Outreach Coordinator, gave a background on the Decide to Drive Task Force which is comprised of high school students from each of the area high schools. Mr. Zamora thanked the Council for the proclamation and noted representatives from St. Mary’s Hospital and School District 51 were in attendance. He then introduced the students that comprise the Task Force: Dillon Pylin Cruz from Grand Junction High School, Sarah Talbott and Kayla Fisher from Palisade High School, and Amber Rademacher and Deanna Wright from Central High School.

Appointment

To the Grand Junction Housing Authority

Councilmember Kenyon moved to appoint Chris Launer to the Grand Junction Housing Authority for a five year term expiring October 2017. Councilmember Susuras seconded. Motion carried.

Certificates of Appointment

To the Planning Commission and Zoning Board of Appeals

Christian Reece, Loren Couch, and Jon Buschhorn were present to receive their Certificates of Appointment to the Planning Commission. Steve Tolle and William Wade were present to receive their Certificates of Appointment to the Zoning Board of Appeals and as alternates to the Planning Commission.

Council Comments

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

Council President Pitts introduced the proposed resolution which supports the Mosquito District ballot questions.

Councilmember Kenyon said the resolution is more of an opportunity to get information out to the public rather than a political debate. The community has suffered from a number of West Nile Virus cases but everyone gets to decide themselves on the ballot question.

Councilmember Coons said there may be some confusion as to why this matter is even on the ballot. Many do not know that the City and County do not provide mosquito control. Only the areas currently in the Mosquito District are covered by mosquito control. Mosquitoes do carry encephalitis-type diseases, including West Nile virus, and others. These diseases can vary in severity from person to person but in severe cases can be very debilitating. The control method is biological and controls the larvae rather than using a pesticide. Aerial chemical spraying was done several years ago when West Nile mosquitoes came upon the area so quickly and severely. But now they control the mosquitoes as larvae with the biological control.

Councilmember Luke appreciated Dr. Coons' information but she looks at it more from a financial perspective. The ballot measure is permanent; there is no end date and the mill levy is over a 40 year period, and the increase in property taxes will be significant. She would like to see it applied on a year to year basis. She feels it expands government and she therefore cannot support it.

Councilmember Boeschstein said he favors mosquito control and has worked with Mesa County Health Department in the past on mosquito control. He had the understanding that mosquito control was already taken care of. He didn't feel he had enough information to vote in favor.

Councilmember Doody thanked Dr. Coons for bringing the matter forward

Action: Adopt Resolution No. 40-12

Councilmember Susuras moved to adopt Resolution No. 40-12. Councilmember Coons seconded the motion. Motion carried 4 to 3 with Councilmembers Boeschenstein, Luke, and Kenyon voting NO.

Citizen Comments

Mike Anton, President of Grand Junction Air Show, was present to thank the City for its' help and support of the Grand Junction Air Show. He introduced members of the committee: Donna Sanford, Cal Clark, and Paul Fry. Mr. Anton presented two framed posters to the City Council from the Air Show. One poster is from the Blue Angels and the other was made especially for the City in appreciation of support for the Air Show.

CONSENT CALENDAR

Councilmember Luke read the Consent Calendar items #1-3 and then moved to adopt the Consent Calendar. Councilmember Doody seconded the motion. Motion carried by roll call vote.

1. **Minutes of Previous Meeting**

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]**

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.

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**

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.

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Public Hearing—Rohner Annexation and Zoning, Located at 249 Abraham Avenue [File #ANX-2012-374]

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.

The public hearing was opened at 7:32 p.m.

Lori V. Bowers, Senior Planner, presented this item. She described the site, the location, and the request. She described the reason for the request. The Comprehensive Plan shows these are to develop as Residential Medium. The request to subdivide the property triggers the need for annexation and subsequent zoning. The zoning designation of R-4 is similar to the County zoning of RSF-4. The annexation is consistent with the Persigo Agreement. The zoning is in conformance with the Zoning and Development Code. The applicants were present but did not need to make a presentation.

Councilmember Susuras asked Ms. Bowers to demonstrate the contiguity of the property. Ms. Bowers explained that the annexation contiguity is created by the right-of-way easement.

Councilmember Boeschstein noted that this continues the patchwork of annexation. He felt more properties need to be brought in so that City services can be provided efficiently. He noted that an enclave cannot be created by using only road rights. City Attorney Shaver confirmed, stating the road itself would not create an enclave, there would have to be adjacent parcels.

Councilmember Susuras asked if the properties adjacent can be forced to be annexed after five years. City Attorney Shaver said that only applied to enclaves; annexations are voluntary or triggered by development.

There were no public comments.

The public hearing was closed at 7:40 p.m.

Councilmember Doody asked if this is one unit. Ms. Bowers said it is a single family attached that has been condominiumized and the owners wish to subdivide the lot into two lots which would make each dwelling unit sit on its own lot. The subdivision will bisect the air space.

City Attorney explained condominiumization and the ownership of air space versus lot ownership.

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

Councilmember Susuras moved to Adopt Resolution No. 41-12 and Ordinance Nos. 4555 and 4556 and ordered them published in pamphlet form. Councilmember Doody seconded the motion. Motion carried by roll call vote.

Contract Amendment #1 for Architectural Services for the Avalon Theatre Addition and Renovation

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.

Debbie Kovalik, Economic, Convention, and Visitor Services Director, introduced this item. She explained that the contract amendment will complete the architectural design services for the entire project. A number of local architects are also involved in the project. The Downtown Development Authority, The Avalon Theatre Foundation Board, and the City are partners in the project and will be funding the design, each by one third.

Trent Prall, Engineering Manager, said the design contract will complete the core scope of work. He reviewed the various elements of the core scope which included increased seating and a larger stage. There is an addition that will hold concessions and a multipurpose room that can be used for conference space. On the second floor there is additional performer support with dressing rooms. Then there is a roof top level with offices and a terrace. The multipurpose room will not be set up for cinema in the core scope. He noted that if the scope is reduced or enlarged there may be another amendment in January to complete the design.

Councilmember Susuras asked how the cost is estimated based on only 50% of the design being complete. Mr. Prall said they know roughly what the design elements will cost but they will know better as the rest of the design work is completed. The architects determine this cost through a contractor for cost estimating.

Councilmember Coons asked how the local contractors are identified. Ms. Kovalik said at present it is architects and engineers for the design work. As far as the other contractors they do not know which contractors will be involved but they anticipate local contractors will be interested.

Councilmember Coons asked if the Westlake, Reed and Leskosky firm is doing all the design work. Mr. Prall said structural design is being done by Lindauer Dunn as well as Chamberlin Architects, and the Blythe Group is working on the interior finishes. Geotechnical engineering is being done by Huddleston-Berry, and the civil work by Austin Civil Group. Landscape design is being done by Ciavonne, Roberts & Associates.

Councilmember Kenyon described how elements are included or excluded and are decided upon based on affordability within the budget. Mr. Prall concurred, noting there are many components that can be adjusted as the design work is completed.

Councilmember Kenyon noted that there are no new funds being allocated but rather the Council is approving the use of some of the funds already allocated. As various contracts are bid and awarded, the Avalon Theatre will be before the City Council throughout the next year. They hope the fundraising campaign is successful to be able to complete the project as envisioned. He supports the use of existing local contractors.

Councilmember Boeschstein thanked the City Staff for their time and hard work on this project. The Staff has had recent experience with big projects at Lincoln Park and the Public Safety Facility. He asked if the heating, ventilation, and air conditioning (HVAC) will be upgraded. Ms. Kovalik said definitely, there are different options dependent on the fundraising. Ms. Kovalik pointed out the new logo for the fund raising campaign. It is handwriting from a letter that Walter Walker wrote.

Councilmember Boeschstein said it is a big step for the community and supporting the arts and artists in the community will be a big boost for economic development. He asked about fire proofing. Mr. Prall said life safety is part of the main scope; a sprinkler system is part of the core project.

Councilmember Boeschstein then asked about new seats which will be included.

Councilmember Boeschstein asked how the fundraising is going. Ms. Kovalik said the Foundation Board has a Campaign Cabinet which met that day. They have been talking to potential large donors and have already applied for a number of grants. The fundraising is well underway.

Councilmember Boeschstein asked if there will be another "Buy a Brick Program". Ms. Kovalik said the existing bricks will be preserved along with the existing seat plaques and there will also be a "Buy a Seat Program".

Councilmember Luke said she is really encouraged and excited to see how the fundraising progresses. She asked about a rooftop venue on the top of the building. Ms. Kovalik confirmed this is included in the final scope.

Councilmember Doody thanked Mr. Prall and noted the other partners have met all their obligations to date. There will be a lot of work. He noted that the City has arranged for taxable bonds so there will be an opportunity to have someone give a large donation with branding.

Ms. Kovalik introduced Robin Brown, the new manager of the Avalon Foundation Board.

Councilmember Coons moved to authorize the City Purchasing Division to amend the existing contract with Westlake, Reed, and Leskosky of Cleveland, OH for architectural services to a total of \$873,829. 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 8:16 p.m.

Stephanie Tuin, MMC
City Clerk



Date: October 25, 2012
 Author: Clark Atkinson, Title/
 Phone Ext: President, Horizon
Drive BID
 Proposed Schedule: November 7,
2011
 2nd Reading (if applicable):
 File # (if applicable): _____

Attach 2
CITY COUNCIL AGENDA ITEM

Subject: Horizon Drive Association Business Improvement District 2013 Operating Plan and Budget
Action Requested/Recommendation: Approve the Horizon Drive Association Business Improvement District's 2013 Operating Plan and Budget
Presenter(s) Name & Title: Jodi Romero, Financial Operations Director

Executive Summary:

Every business improvement district is required to file an operating plan and budget with the City Clerk by September 30th each year. The City Council then approves or disapproves the plan and budget by December 5th. The plan was reviewed by the Horizon Drive Business Improvement District Board and submitted within the required timeline. After further review by City staff, the plan was found to be reasonable.

Background, Analysis and Options:

In 2004, the City Council created the Horizon Drive Association Business Improvement District, approved the 2005 Operating Plan and Budget and appointed the board. State Statutes (31-25-1212 C.R.S.) require business improvement districts to annually submit an operating plan and budget. The municipality shall approve or disapprove the operating plan and budget by December 5th so the BID can file its mill levy certification with the County Assessor by December 10th.

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

N/A

Board or Committee Recommendation:

The Horizon Drive BID Board approved its 2013 Budget and Strategic Plan on September 12th, 2012.

Financial Impact/Budget:

N/A

Legal issues:

In compliance.

Other issues:

N/A

Previously presented or discussed:

This is an annual submittal.

Attachments:

1. Proposed 2013 Budget for the Horizon Drive Association Business Improvement District
2. Strategic Plan



HORIZON DRIVE **District**

Gateway to Grand Junction

Service & Operating Plan 2013

INTRODUCTION

The Horizon Drive District (the "District") is comprised of commercial properties within the general geographic areas of Horizon Drive between G Road and H Road. The District was formed in 2004 under Colorado Revised Statute 31-25-1201, which allows Business Improvement Districts to be formed within municipalities of Colorado, and to levy and collect ad valorem taxes on commercial property within the boundaries of the District. The City of Grand Junction oversees the District and appoints the Board of Directors.

As a gateway to Grand Junction, the District is often the first and lasting impression people have of the City of Grand Junction. As such, City government also takes an active role and fiscal partnership in the maintenance and improvements to the District.

The Horizon Drive District is home to more than 200 businesses, including 70% of the City's lodging, and has an overall economic impact of \$300 million annually. The District sees 7 million cars annually and connects the community and travelers to the Regional Airport, Downtown, Colorado Mesa University and points between.

The mission of the Horizon Drive District is to build community, enhance the beauty and advocate the economic vitality of the Horizon Drive District.

During the year 2012, the District's efforts focused on advancing the Corridor Improvement Project: Street Improvement Plan. This effort is guided by the strategic plan adopted in fall of 2011 for 2012 and beyond.

In accordance with the Board's stated objectives, the District adopts the following general Service & Operating Plan for 2013:

2013 GOALS

1. Complete the Corridor Improvement Master Plan and commence Phase I, which will achieve the following Mission-critical objectives:

VISIT THE DISTRICT

WWW.HORIZONDRIVEDISTRICT.COM

970.985.1833

P.O. Box 4191 Grand Junction, CO 81502

- a. Stimulate Economic Development - Encourage development of undeveloped parcels, as well as improvements on existing parcels within the District, to enlarge the tax base and economic impact for the benefit of Grand Junction, as a direct result of infrastructure improvements.
 - b. Improve Safety- Mitigate pedestrian safety hazards, improve pedestrian connectivity between District businesses, plan for critical growth and necessary safety improvements, as well as enhance overall safety, traffic flow, and efficiency of travel.
2. Continue development of strategy to Enlarge the District. The District plans to strategically enlarge the District by voluntary annexation of adjacent parcels and nearby parcels that logically benefit from and fit within the District sphere of influence. In order to accomplish this objective, the District needs to implement substantive and tangible improvements to the District (Corridor Improvement Plan Phase I) that demonstrates benefits to potential stakeholders.
3. Continue strategy development to Improve the District Image and neighborhood identity. The District serves as a “front door” to Grand Junction, as well as a distinct neighborhood in search of identity. The District anticipates developing and implementing a multi-tier strategy to identify and promote its distinct image, develop and implement design standards consistent with the City of Grand Junction Comprehensive Plan, and the unique District neighborhood aesthetic. These objectives are critical to the District as the “front door” to Grand Junction.

SERVICES AND IMPROVEMENTS OFFERED BY THE DISTRICT

- Plan for future growth and enhance the District with long range planning of improvements
- Represent the District in decisions that may impact the area.
- The District is allowed to make and contemplate a broad range of public improvements including, but not limited to: streets, sidewalks, curbs, gutters, pedestrian malls, streetlights, drainage facilities, landscaping, decorative structures, statuary, fountains, identification signs, traffic safety devices, bicycle paths, off street parking facilities, benches, restrooms, information booths, public meeting facilities, and all incidentals, including relocation of utility lines.

GOVERNANCE OF THE DISTRICT

- The Board of Directors is appointed by the Grand Junction City Council.
- The Board of Directors appoints management staff in accordance with District Bylaws.

POWERS OF THE DISTRICT

- The power to levy taxes against taxable commercial property.
- To consider and, if deemed necessary, provide services within the District including but not limited to:
 - Management and planning
 - Maintenance of improvements, by contract if necessary
 - Promotion or marketing
 - Organization, promotion and marketing of public events
 - Activities in support of business recruitment, management and development
 - Snow removal or refuse collection / recycling
 - Design assistance
- To acquire, construct, finance, install and operate public improvements and to acquire and dispose of real and personal property.
- To refund bonds of the district.
- To have management, control and supervision of business affairs of the district.
- To construct and install improvements across or along any public street, alley or highway and to construct work across any stream or watercourse.
- To fix, and from time to time increase or decrease, rates, tolls, or charges for any services or improvements. Until paid, such charges become a lien on commercial property in the District, and such liens can be foreclosed like any other lien on real or personal commercial property.
- The power to sue and to be sued, to enter into contracts and incur indebtedness, to issue bonds subject to statutory authority.

2013 BUDGET

Please see attached 2013 Budget.

Horizon Drive District
Horizon Drive Association Business Improvement District
Budget 2013

Acct. No.	General Fund Description	General Purpose			
		Actual (Prior Year P&L) 2011	Budget Current Year 2012	Estimated Year end 2012	Recommend: Budget 2013
	ESTIMATED FUND BALANCE	534,655	450,000	526,212	526,212
	ANTICIPATED REVENUE				
	BID's Mil Levy	202,924	197,928	212,196	205,194
	Interest	502	900	60	60
	ANTICIPATED TOTAL FUNDS	738,081	648,828		731,466
	PROPOSED EXPENDITURES:				
	Budgeted Operating Exp./Expenditures:	200,600	352,000	219,621	527,400
	GENERAL Expenses:				
	Elections	0	0	0	0
	Administration				
	Financial	1100	2,000	1,360	1500
	Audit	2600	3,000	2,600	2600
	Insurance	2722	3,000	2,404	2500
	Legal	4002	3,000	3,832	3000
	Salaries and Wages	0	0	0	
	Contracted services	52,000	52,000	40,000	40,000
	Benefits	0	0	0	
	Group Insurance	0	0	0	
	FICA (Social Security)	0	0	0	
	Retirement Contribution	0	0	0	
	Workers Compensation	0	0	0	
	Operations				
	Rent & other	6267	13,800	8,312	12800
	Marketing & Communications	44912	20,000	23,515	20000
	TOTAL General Expense:	113603	96,800	82,023	82400
	DISTRICT SERVICES: Horizon Drive Corridor				
	Planning & Design	0	250,000	137,598	65000
	Maintenance/repair	2561	5,000	0	5000
	TOTAL General Expense & Services	116164	351800	219,621	152400
	Capital Outlay:	0	0	0	375,000
	Debt Service:				
	Principal	57,000	0	0	0
	Interest	0	0	0	0
	Bond issuance costs	0	0	0	0
	TOTAL Gen., Services and Capital Expenditu	173164	351800	219,621	527,400
	Estimated Ending Balance: Dec. 31			526,212	204,066
	Total Uses of Resources:	173164		219,621	527,400



Date: October 11, 2011
 Author: Harry Weiss
 Title/ Phone Ext: DDA/BID
Executive Director X4134
 Proposed Schedule: _____
November 7, 2012
 2nd Reading
 (if applicable): _____
 File # (if applicable): _____

Attach 3
CITY COUNCIL AGENDA ITEM

Subject: Downtown Grand Junction Business Improvement District (DGJBID) 2013 Operating Plan and Budget
Action Requested/Recommendation: Approve the Downtown Grand Junction Business Improvement District 2013 Operating Plan and Budget
Presenter(s) Name & Title: Jodi Romero, Financial Operations Director

Executive Summary:

Every business improvement district is required to file an operating plan and budget with the City Clerk by September 30th each year. The City Council then approves or disapproves the plan and budget by December 5th. The plan was reviewed by the DGJBID Board and submitted within the required timeline. After further review by City staff, the plan was found to be reasonable.

Background, Analysis and Options:

In 2005, the City Council created the Downtown Grand Junction Business Improvement District (BID), approved their 2006 Operating Plan and Budget, conducted a mail ballot election to create a Special Assessment, and then turned over the board to the DDA. State Statutes (31-25-1212 C.R.S.) require business improvement districts to submit an operating plan and budget. The municipality shall approve or disapprove the operating plan and budget by December 5th so the BID can file its Special Assessment with the County Treasurer by December 10th.

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.

The BID supports existing and new businesses in the commercial core through coordinated marketing of the district and its members, and the production of special events that bring locals and visitors to the district throughout the year.

Board or Committee Recommendation:

The BID Board reviewed and approved the 2013 Proposed Budget at their meeting on September 27, 2012.

Financial Impact/Budget:

The City of Grand Junction makes an annual Payment In Lieu of Tax (PILT) to the BID. In 2012 the City transferred \$13,466 to the BID; that amount remains unchanged in the 2013 proposed budget.

Legal issues:

City Council is required by 31-25-1211 CRS to approve or disapprove the BID Budget and Operating Plan. The BID must submit its assessment rate to the County Treasurer by December 10.

Other issues:

BID finances are administered through the 711 Fund housed in the City's financial system. The majority of BID revenue derives from a special assessment against ground floor commercial space in the downtown core. The BID Board is recommending the special assessment be raised in 2013 by 5% as authorized by state statute. The BID assessment has not been raised since 2007. Additional revenues come through annual PILT's from both the DDA and the City. The BID's general operating expenses, labor, and marketing expenses are paid directly from the 711 Fund. Under the structure of the Downtown Partnership, the portion of BID funds allocated for special events are transferred to the Downtown Association (DTA) where they are combined with additional revenues from the events themselves that come directly into the DTA. Special events expenses are administered through the DTA's organizational account. The DTA reviews its financial statements monthly and forwards quarterly financial reports to the BID Board. The BID Board meets quarterly to review the 711 Fund and DTA financial reports. Together the two boards ensure that budget administration remains accurately focused on the mission of the BID.

Attachments:

2012 Annual Report and 2013 Proposed Budget

Downtown Business Improvement District 2012 Annual Report and 2013 Proposed Budget

History of the Business Improvement District

The Downtown Grand Junction Business Improvement District was approved in November 2005 and implemented in 2006. The BID is one of three entities along with the Downtown Development Authority (DDA) and the Downtown Association (DTA) that comprise the Downtown Partnership. The DTA, a traditional merchants association, was the precursor to the BID that promoted downtown through the volunteer efforts of its members. Adopting the BID provided a more sustainable organizational structure and funding stream to support the continued promotion of downtown.

The BID covers an area of approximately 40 blocks of the commercial core of the downtown area, and comprises over 600 property owners and businesses representing a mix of retail, restaurants, professional services and commercial activities. BID members are property owners who pay an annual special assessment based on square footage of ground floor space within the BID boundary. Historically this assessment has generated \$130,000+ per year, which is supplemented by Payments in Lieu of Taxes from the City of Grand Junction and the DDA.

State enabling legislation enumerates a broad range of activities that BIDs may undertake, but the specific activities of any particular BID are determined by the ballot authorization of the BID members at the time the BID is created. The DGJBID was formed for the specific purposes of providing general marketing of the district and the production of special events that draw locals and visitors alike.

Downtown Marketing and Promotions

General marketing and promotion of downtown is a core function of the BID and includes the following:

- Develop and coordinate marketing strategies to attract community members and visitors to Downtown GJ.
- Evaluate the effectiveness of advertising efforts while managing annual advertising contracts.
- Coordinate and implement written material for the Downtown Partnership including press releases, brochures, posters and presentations.
- Oversee public relations plan for events that are organized by the Downtown Partnership.
- Communicate on a regular basis with BID members, e-mail and in person, as well as host three meetings of BID members each year.
- Coordinate and oversee website development and social media promotional efforts.
- Establish and build relationships with other agencies to promote the goals of the Downtown Partnership.

- Work within the established budget for general marketing of Downtown as well as individual PR budgets for each event.

DTA expenses cover general and event-specific marketing efforts (including website, print media, radio, television), as well as street banners, billboards, videography, photography, Downtowner meetings, and gift certificates.

Potential areas for expansion of marketing efforts include more direct involvement in marketing available space to, and recruitment of, new businesses that can diversify the product mix and demographic drawing power of the district. While not a marketing expense in the traditional sense, the ongoing maintenance and cleaning of downtown sidewalks and public spaces has a direct effect on the image of the district and its appeal to businesses and consumers alike. The BID and the Parks & Recreation Department have a very strong collaborative relationship on activities in the Downtown Shopping Park, and together we are exploring strategies to improve the appearance of downtown and how those associated costs might be shared.

Special Events

The Art & Jazz Festival, Farmers' Market, Independence Day Parade, Car Show, Spooktacular, Holiday Tree Lighting, and Parade of Lights are events that the BID produces each year. These popular events bring thousands of people into Downtown Grand Junction to enjoy the unique atmosphere and spend additional dollars in the downtown shopping district. In 2012 an additional one-time event was jointly produced by the Partnership – the “Celebrating 50 Years of Foresight” marking the 50 year anniversary of the redesign of Main Street and the completion of the recent Uplift Project renovations to Main Street. This event was funded by the DDA.

In addition to special events produced by the BID, interest among community organizations for staging events on Main Street has grown tremendously with the completion of the Uplift Project improvements. Examples of non-BID sponsored annual events that increase downtown visitation include the Cinco de Mayo Festival, Oktoberfest, and various community parades. In 2012 there were three new events that are anticipated to continue on an annual basis: the Earth Day Celebration, the CMU Bicycle Criterium, and the Tour of the Moon bike ride over the Colorado National Monument.

The DDA serves as a review authority for special event permits issued by the City for events on Main Street, and in an advisory capacity for events on other streets. DDA/BID staff, along with City and VCB staff, regularly assist outside organizations in their planning of events in the downtown area, and the BID disseminates information about these additional events to downtown businesses to help them identify potential marketing and revenue opportunities.

For the coming year, the BID and DTA Boards have endorsed the effort to bring a new competitive mountain biking event produced by Epic Rides to downtown in early September, strengthening what has traditionally been the soft Labor Day holiday. In response to the producer's request for a local cash commitment to launch this event, the BID is allocating \$5,000 in next year's budget to contribute to the commitments from

the VCB, GJEP, the City of Grand Junction, and other participating entities towards the event. This new event is expected to draw 600 riders in the first year, who typically are accompanied by 2-3 other individuals. Like the Tour of the Moon which drew participants from 37 states, the new mountain bike event is a national level competition drawing from a broad cross section of the bicycling community. While the biking activities will occur on trails in the vicinity of Grand Junction, the event's central site will be downtown. These events capitalize on the complementary pairing of unsurpassed bicycling in the region and the excellent amenities of our urban core, and illustrate the synergy of recreational tourism with high quality urban experiences.

In response to the increased interest in special events that involve the closure of Main Street, DDA and City staff have developed new guidelines for permitting such events. In order to strike a balance between the commercial function of Main Street that is essential to the livelihood of downtown businesses and the increased desire to use Main Street as a place of public assembly, the guidelines limit the number of events requiring closure of Main Street to no more than twice a month (not including Farmer's Markets on Thursdays), and encourage the staging of community events on Colorado Avenue or other downtown streets. In 2013 staff will be exploring other management strategies and policy recommendations that can have the most discernible economic impact on sales in the District and the generation of sales tax and hotel room tax revenues while balancing the needs of downtown commercial interests with the expectations of the broader community.

Budgetary Issues and Administration:

The goals of the BID are implemented through the partnership between the BID and the DTA. The budget and financial administrative structure is divided between the two organizations, each contributing revenue to the overall effort and each handling separate portions of the expenses. Prior to 2012, the BID transferred a large sum to the DTA, and all marketing and special event expenses were handled through the DTA's independent account with oversight by the BID board. Staff labor/benefits and BID office overhead were expensed through the BID's 711 Fund housed in the City's financial system. In 2012 all marketing expenses, in addition to labor and overhead, were administered through the 711 Fund, thus reducing the transfer to the DTA of only those funds allocated to special events. The 2013 Proposed Budget continues the expense management protocols adopted in 2012.

On the revenue side, the DTA takes in additional income in the form of corporate contributions and all the special event income derived from sponsorships, registration fees and incidental sales. Since 2009 special event income has declined incrementally each year from \$143,350 in 2011 to \$128,750 in 2012. \$8,000 of that decline is the result of reduced sponsorships for events which reflects broader recessionary forces over the past few years. There has also been some reduction in vendor participation at events, again partly due to overall economic conditions and as well as some changes in the structure of the events. Concurrently there has been incremental growth in special event expenses largely attributable to the goal of attracting a broader selection of music at Art & Jazz, drawing talent from markets outside the Western Slope. In 2013 the BID will be working with the DTA to rebalance special events revenue and expense, in

particular seeking additional sponsorships for our main events while retooling event activities to reduce discretionary expenses.

Under state statute the BID may increase the special assessment by up to 5% in a given year. The special assessment was last increased in 2007 by that amount and has been held flat since. The DTA Board of Directors recommended to the BID Board that the assessment be raised in 2013 by the statutory 5% with the expectation that this would be the last assessment increase before the BID comes up for renewal in 2016. The BID Board has included the 5% increase in the 2013 Budget, representing an additional \$6,750 of revenue.

Operating gains or losses are divided between the two organizations depending upon revenue and expense protocols. In 2011 the BID saw a gain of approximately \$12,000 while the DTA incurred an \$18,000 loss. At the start of 2012 the BID had a fund balance of \$124,861. The BID board in consultation with the City's Financial Operations Department adopted a budget strategy to draw down the fund balance. The draw-down was predicated in part on putting the accumulated dollars to work, and in recognition that the BID would be up for renewal or sunset in 2016 and should be working towards a zero fund balance in that timeframe. The projected draw down for this year is about \$24,000; in 2013 the reduction in fund balance will be approximately \$15,000.

The 2013 Budget carries forward the revenue and expense profile of 2012 before adjustment for increased sponsorship solicitation and implementation of targeted expense reductions. The 2013 Budget also maintains level labor expense; however, with the retirement at the end of 2012 of Kathy Dirks, the BID Marketing Director, the hiring of her successor offers some potential for labor burden reduction depending upon the qualifications and experience of her replacement.

Downtown Grand Junction Business Improvement District

	2012 Amended Budget	2013 Proposed Budget
Beginning Fund Balance	\$ 124,861	\$ 100,752
Revenues		
Special Assessments	\$ 135,000	\$ 141,750
Interest Income	700	700
Govt Reimbursements		
<i>DDA</i>	27,500	27,500
<i>City</i>	13,466	13,466
<i>County</i>	-	-
Revenues Sub Total	\$ 176,666	\$ 183,416
Expenses		
Labor & Benefits		
Salaries	\$ 65,103	\$ 65,282
PT/Contract Labor	9,425	4,497
Benefits	11,197	12,044
Marketing	69,350	70,000
Treasurer's Fees	2,700	3,000
Other	1,500	2,000
Interfund Fuel	1,500	1,500
Transfer to DTA (Special Events)	40,000	40,000
Expenses Sub Total	\$ 200,775	\$ 198,323
Net Difference	\$ (24,109)	\$ (14,907)
Projected Ending Fund Balance	\$ 100,752	\$ 85,845



Date: 10/24/12
Author: Harry M. Weiss
Title/ Phone Ext: DDA Executive
Director/4134
Proposed Schedule: 11/7/12

Attach 4
CITY COUNCIL AGENDA ITEM

2nd Reading
(if applicable): _____

Subject: Free Holiday Parking Downtown
Action Requested/Recommendation: Vacate parking enforcement at all designated, downtown, metered spaces and signed parking from Thanksgiving to New Year’s Day, except loading, no parking, handicapped, and unbagged meter spaces surrounding government offices and in shared revenue lots. Free metered spaces will be clearly designated by covering the meters with the well-known “Seasons Greetings-Free Parking” red plastic bag
Presenter(s) Name & Title: Harry Weiss, Downtown Development Authority Director Jodi Romero, Financial Operations Director

Executive Summary:

The Downtown Partnership has requested free parking in the downtown area again this year during the holiday shopping season. City Staff recommends Free Holiday Parking in all of downtown, including the first floor of the Rood Avenue parking structure, with the exception of government office areas and shared-revenue lots.

Background, Analysis and Options:

Free Holiday Parking is a very popular customer service program that supports the vitality of downtown businesses during the critical holiday shopping season. Although there is the potential for misuse of the offer of free parking by long-term parkers, downtown merchants feel the benefits of providing free parking far outweigh that concern. Over the years the Free Holiday Parking program has evolved to achieve a balance between retail customer service and the need to maintain ready parking and access for visitors to major public facilities including government offices (approximately 120 out of 1,100 metered spaces) with continued enforcement of the short-term meters surrounding the Post Office (4th & White), the Federal Building (4th & Rood), the City Hall/County Administration block (5th & Rood to 6th & White), and the State Building (6th & Colorado). Additionally the shared-revenue lots at the State Building and the United Methodist Church (5th & Grand) as always are excluded from Free Holiday Parking and will continue to be enforced.

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

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.

Free Holiday Parking supports the efforts of the Downtown Partnership in marketing the downtown as a retail and entertainment destination during the Holiday shopping season.

Board or Committee Recommendation:

N/A

Financial Impact/Budget:

Because Free Holiday Parking has been approved for several years now, budgeted annual parking revenues are already adjusted in anticipation of continued approval of the program. Therefore, there is no impact to the budget, however, the amount of lost revenue is estimated to be approximately \$20,000.

Legal issues:

None.

Other issues:

None.

Previously presented or discussed:

N/A.

Attachments:

None.



Attach5
CITY COUNCIL AGENDA ITEM

Date: 10/26/12

Author: Jay Valentine

Title/ Phone Ext: 1517

Proposed Schedule:

11/7/12

2nd Reading

(if applicable):

Subject: Grand Valley Transit Public Funding
Action Requested/Recommendation: Adopt the Resolution between Mesa County, Fruita, Palisade and the City of Grand Junction Pertaining to Public Transit Service
Presenter(s) Name & Title: Tim Moore, Deputy City Manager

Executive Summary:

The City has an ongoing, annually renewable agreement with Grand Valley Transit for public transportation services within Grand Valley Transit boundaries. The City pays the Grand Valley Transit a percentage of the costs based on a formula established in an agreement that dates back to 2009. The Resolution authorizes the Mayor to sign the Resolution adopting the local match funding for the Grand Valley Transit Public Transit Services as adopted in the 2013 budget.

Background, Analysis and Options:

The Grand Valley Regional Transportation Committee (GVRTC) was formed by Intergovernmental Agreement by and between Mesa County, the City of Grand Junction, the City of Fruita and the Town of Palisade to develop recommendations for local funding of transit services in the Grand Valley Urban Area.

The original five year agreement expired in 2009 and since that time an annual agreement has been used. Over the few years the amount of the request has been kept at the same level in order to assist the partners during these tough economic conditions. The 2012 request is also being held at the same level as last year for all of the partner agencies.

Federal Transit Administration awards operating and capital assistance to Mesa County on a matching and non-matching basis to assist in the implementation of the adopted Transit Element. In order to remain eligible for Federal Transit Administration funding the GVRTC must develop, approve and implement a local financing structure that includes matching funds.

It continues to be a request from the City Council to the GVRTC for itself and for the local governments and population that it serves to establish a stable, long-term operating and capital financing structure for the transit system. The local officials will review all possible funding sources and continue towards alternative funding, including but not limited to the creation of a Regional Transportation Authority.

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

Goal 9: Develop a well-balanced transportation system that supports automobile, local transit, pedestrian, bicycle, air, and freight movement while protecting air, water and natural resources.

The City and County will work with the Mesa County Regional Transportation Planning Office (RTPO) on maintaining and updating the Regional Transportation Plan, which includes planning for all modes of transportation.

Board or Committee Recommendation:

The GVRTC recommended approval at their regular meeting held in October.

Financial Impact/Budget:

The GVRTC and Mesa County, the City of Grand Junction, the City of Fruita and the Town of Palisade all agree, subject to annual appropriation, to continue funding as established by this Resolution until December 31, 2013 or the implementation of an approximately equal or greater permanent transit system funding source. This year's breakdown in local match distribution is as follows:

Local Match Distribution	FY 2012
Mesa County (65%)	\$909,754
Grand Junction (30%)	\$419,885
Fruita (3%)	\$41,989
Palisade (2%)	\$27,993
Total Local Contributions	\$1,399,621

Legal issues:

The City Attorney has reviewed the proposed resolution and found it to be legally sufficient as an expression of Council policy. Encumbrance and expenditure of funds will be accomplished via the annual budget and appropriation ordinance. The City's financial participation in the sum of \$419,885 is included in the 2013 proposed budget.

Other issues:

If other areas have input, this will be inserted here. An example would be real estate may have input on real estate transactions or vacations of easements and right-of-ways.

Previously presented or discussed:

N/A

Attachments:

Resolution

RESOLUTION NO. _____

A RESOLUTION CONCERNING THE ADOPTION OF THE LOCAL MATCH FUNDING FOR GRAND VALLEY TRANSIT PUBLIC TRANSIT SERVICES FOR FY2013.

WHEREAS, the Grand Valley Regional Transportation Committee (GVRTC) was formed by Intergovernmental Agreement by and between Mesa County, the City of Grand Junction, the City of Fruita and the Town of Palisade to develop recommendations for local funding of transit services in the Grand Valley Urban Area; and

WHEREAS, in order to accomplish the goals for funding the transit system, a Transit Element setting forth the needs and mechanisms for future funding has been developed and adopted by the GVRTC; and

WHEREAS, the Federal Transit Administration awards operating and capital assistance to Mesa County on a matching and non-matching basis to assist in the implementation of the adopted Transit Element; and

WHEREAS, in order to remain eligible for Federal Transit Administration funding the GVRTC must develop, approve and implement a local financing structure that includes matching funds, which when expended will allow continuation of transit services in accordance with Federal standards; and

WHEREAS, the GVRTC has recommended a financing structure that it believes will provide for the funding needs of the transit system for the FY2013; and

WHEREAS, the GVRTC for itself and for the local governments and population that it serves desires to establish a stable, long-term operating and capital financing structure for the transit system; and

WHEREAS, the adoption of the recommended financing structure for FY2013 will allow local officials time to review all possible funding sources and to develop and implement alternative funding, including but not limited to the creation of a Regional Transportation Authority; and

WHEREAS, Mesa County, the City of Grand Junction, the City of Fruita and the Town of Palisade have negotiated and agreed on the 2013 funding formula setting forth the funds to be provided by each entity; and

WHEREAS, the GVRTC and Mesa County, the City of Grand Junction, the City of Fruita and the Town of Palisade all agree, subject to annual appropriation, to continue funding as established by this Resolution until December 31, 2013 or the implementation of an approximately equal or greater permanent transit system funding source; and

WHEREAS, the GVRTC has stated that it understands, acknowledges and agrees that local match funding is not permanent funding and that the funding formula and the local match funding commitments as set forth herein will allow for the continued operation of the transit system and those funds are not and shall not be considered to be the approximately equal or greater permanent transit system funding source as set out above;

NOW, THEREFORE, BE IT AGREED AND RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MESA COUNTY, THE GRAND JUNCTION CITY COUNCIL, THE FRUITA CITY COUNCIL AND THE BOARD OF TRUSTEES OF THE TOWN OF PALISADE THAT THE LOCAL MATCH FUNDING FOR FY2013 SHALL BE ESTABLISHED IN ACCORDANCE WITH THE FOREGOING RECITALS AND THE FUNDING FORMULA SET FORTH HEREIN BELOW:

Local Match Distribution	FY 2013
Mesa County (65%)	\$909,754
Grand Junction (30%)	\$419,885
Fruita (3%)	\$41,989
Palisade (2%)	\$27,993
Total Local Contributions	\$1,399,621

GRAND JUNCTION CITY COUNCIL

By: _____
Bill Pitts, Mayor

ATTEST:

Stephanie Tuin, City Clerk



Date: October 17, 2012

 Author: Traci Wieland
 Title/ Phone Ext: Recreation
Superintendent, 254-3846

 Proposed Schedule:
November 7, 2012

**Attach 6
 CITY COUNCIL AGENDA ITEM**

<ul style="list-style-type: none"> Subject: Lincoln Park Playground Equipment
<p>Action Requested/Recommendation: Authorize the Purchasing Division to Enter Into a Contract with Children’s Play Structures & Recreation, Inc. of Littleton, Colorado for the Purchase of Playground Equipment, and Purchase and Installation of Poured In Place rubberized surfacing for Lincoln Park in the amount of \$199,970</p>
<p>Presenter(s) Name & Title: Rob Schoeber, Parks and Recreation Director Jay Valentine, Internal Services Manager</p>

Executive Summary: This award is for the purchase of playground equipment, and the purchase and installation of Poured In Place rubberized surfacing, as part of the renovations and redevelopment of Lincoln Park.

Background, Analysis and Options:

The redevelopment plan for Lincoln Park has been in progress since the fall of 2011 when funds were earmarked in the 2012 Capital Improvement Plan. Phase II includes complete replacement of the playground and safety surfacing and is partially funded by a Great Outdoors Colorado (GOCO) grant.

The existing playground equipment at Lincoln Park is in poor condition and does not provide any accessible features for children with challenges. The playground is one of the most utilized in the City because of its central location and proximity to other regional park amenities. The new playground will be an exciting amenity for the entire Grand Junction community including: local schools, childcare providers, park users, and neighbors. The new playground will incorporate the following features:

- Inclusionary play features accessible to children of all abilities
- A tree and nature theme to compliment the new arboretum trail
- Poured in place safety surfacing to increase accessibility

A formal Request for Proposal was issued via BidNet (an on-line site for government agencies to post solicitations), posted on the City’s website, sent to the Grand Junction Chamber of Commerce, and a source list of vendors, and advertised in The Daily Sentinel. Sixteen proposals were received from nine vendors, all of which were found to be responsive and responsible. The evaluation committee narrowed the field to three

proposals and asked each of those to propose Best and Final Offers based up on predetermined requirements identified in the Request for Proposal. After reviewing the three Best and Final Offers, the list was further narrowed to two finalists which were then presented to community members, staff, and Parks and Recreation Advisory Board members. Both designs were very high quality and could easily be incorporated into the park. However, based on the overall tree/nature theme, accessible features, and variety of play features, Children’s Play Structures & Recreation, Inc. (CPRI) was found to be the best fit and value for this project.

Best and Final Offers

Game Time/Triple M Recreation	Scottsdale, AZ	\$200,000.00
Children’s Play Structures & Recreation, Inc.	Littleton, CO	\$199,970.00
Made in the Shade/Burke	Evergreen, CO	\$199,962.00

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

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

The redevelopment of Lincoln Park has been largely defined by the residents who live within the neighborhood. They have provided feedback on the playground designs as well as helped to determine the location of restroom/picnic structures and additional park amenities that are part of the overall plan.

Goal 10: Develop a system of regional, neighborhood and community parks protecting open space corridors for recreation, transportation and environmental purposes.

The new playground and park design will be more appealing to the users in terms of safer, more accessible, and more modernized equipment.

Board or Committee Recommendation:

The two final playground designs were presented to the Parks and Recreation Advisory Board on October 12, 2012. The board was overwhelmingly in favor of CPRI as the preferred vendor.

Financial Impact/Budget:

The overall Phase II budget for Lincoln Park includes a \$250,000 Great Outdoors Colorado grant, \$2,820 in community donations, and matching funds from the City of Grand Junction as seen in the project budget below.

Lincoln Park Phase II Budget	
Project Funding	
GOCO	\$250,000
City of Grand Junction	\$505,000
Community Donations	\$2,820
Total Funding	\$757,820
Project Costs	
Restroom Construction (Completed)	\$321,861
Playground Equipment	\$199,970
Park Renovation	\$186,346
Road Base	\$4,284
Installation Supplies	\$3,402
Total Project Costs	\$715,863
Project Funds Remaining	\$41,957

Legal issues:

N/A

Other issues:

N/A

Previously presented or discussed:

N/A

Attachments:



- | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
|  |  |  |  |  |  |  |  |  |  |  |
| Chocolate | Spring | Green | Brownstone | Chocolate | Green | Lime | Chocolate-
Beige | Green | Desert Sand | Brown |



Date: October 24, 2012
 Author: Debbie Kovalik
 Title/ Phone Ext: ECVS,
Department Director/x-1480
 Proposed Schedule: November 7,
2012
 2nd Reading
 (if applicable):

Attach 7
CITY COUNCIL AGENDA ITEM

Subject: Contract for Food Services for Two Rivers Convention Center
Action Requested/Recommendation: Authorize the Purchasing Division to Enter into a Contract with US Foods, Inc. of Denver, Colorado in the Estimate Aggregate Amount of \$325,000 for Food Services for Two Rivers Convention Center and Lincoln Park
Presenter(s) Name & Title: Debbie Kovalik, Economic, Convention, and Visitor Services Director Jay Valentine, Internal Services Manager

Executive Summary: This award is for the contract of food services to be provided to the Two Rivers Convention Center and Lincoln Park beginning January 1, 2013 through December 31, 2013, to include three additional, one year renewal options.

Background, Analysis and Options:

Currently, the City spends approximately \$325,000 per year on food and related products at Two Rivers Convention Center. Two Rivers Convention Center has contracted with Sysco Systems for the past five years, and was due to be re-bid in a formal solicitation.

A formal Request for Proposal was issued via BidNet (an on-line site for government agencies to post solicitations), posted on the City’s website, sent to the Grand Junction Chamber of Commerce, and a source list of vendors, and advertised in The Daily Sentinel.

Four proposals were received, of which three were found to be responsive and responsible. After evaluating the proposals, the evaluation committee selected two finalists for interviews and online capability demonstrations. Upon final evaluation, US Foods, Inc. of Denver, CO was found to be the best fit and value for providing the specified services.

Company	Location
US Foods, Inc.	Denver, CO
Shamrock Foods Company	Commerce City, CO

US Foods response to the RFP was complete and comprehensive. Us Foods has demonstrated that their transportation and food product pricing are competitive and that their on-line ordering features meet the diverse needs of Two Rivers Convention Center. In addition, the Corporation has a wide variety of environmentally friendly products and access to many Colorado brand products.

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

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

Two Rivers Convention Center and the Avalon, as the largest facilities in Grand Junction yearly, host over 125,000 guests. Providing high quality service and food will continue to enable Grand Junction to host both local and regional events, thus providing a positive economic impact.

Board or Committee Recommendation:

N/A

Financial Impact/Budget:

Food and service charges are incorporated into the 2013 operational budget for Two Rivers Convention Center and are offset by revenues.

Legal issues:

NA

Other issues:

NA

Previously presented or discussed:

NA

Attachments:

NA



Date: October 30, 2012

Author: Justin Vensel

Title/ Phone Ext: Project

Engineer, ext. 4017

Proposed Schedule:

November 7, 2012

2nd Reading

(if applicable): N/A

**Attach 8
CITY COUNCIL AGENDA ITEM**

Subject: Contract for the 2012 Street Maintenance – Curb, Gutter, Sidewalk Repair and Replacement Project
Action Requested/Recommendation: Authorize the City Purchasing Division to Enter into a Contract with Vista Paving Corporation of Grand Junction, CO for the 2012 Street Maintenance – Curb, Gutter, Sidewalk Repair and Replacement Project in the Amount of \$141,322.88.
Presenter(s) Name & Title: Trent Prall, Engineering Manager Jay Valentine, Internal Services Manager

Executive Summary:

This request is to award a construction contract for the concrete replacement project at various locations throughout the City of Grand Junction. This contract is to repair road sections scheduled to be overlaid in 2013 and to address higher priority “Fix It” requests received. In all, a total of 17 locations were selected.

Background, Analysis and Options:

Section 2. The 2012 Contract Street Maintenance – Curb, Gutter, Sidewalk Repair and Replacement Project Overlay Project includes replacing aging concrete on streets that are to be Overlaid in 2013. In addition, this project will correct both drainage issues and tripping hazards that were received by City staff over the last three years. Utilizing the available funds staff has prioritized the areas with the worst first approach.

The street selected for the 2013 Overlay Project that need portions of the curb and gutter replaced are as follows:

1. Orchard Avenue from 7th Street to Cannell Avenue
2. 15th Street from North Avenue to Patterson Road

The street selected for the Concrete replacement as a result from the “Fix It“ request are as follows:

1. River Front Trail connection at Hwy 340
2. Colorado Avenue from 13th Street to 14th Street

3. 2861 G ½ Road
4. 3345 Northridge Dr.
5. Intersection at Star Court and Norwalk Street
6. 840 S 1st Avenue
7. 1607 Juniper Ct
8. 1540 N 20th Street
9. 2202 Dogwood Court
10. 1920 Elm Drive
11. 960 Bookcliff Avenue
12. 555 North Avenue
13. 582 24 ½ Road
14. Intersection Improvement ant 10th Street and Pinyon Avenue
15. Emerson Park at 9th Street and Pitkin Avenue

A formal solicitation was advertised in the Daily Sentinel, and sent to Western Colorado Contractor's Association (WCCA), and posted on the City's website.

The following bids were received:

Firm	Location	Amount
Vista Paving Corporation	Grand Junction, CO	\$116,322.88
All Concrete Solutions	Grand Junction, CO	\$142,996.54

In addition to the locations above, staff is requesting that \$25,000 be added to the contract to correct drainage issues along Orchard Avenue in preparation for the 2013 Overlay Project, for a total contract amount of \$141,322.88

This project is scheduled to begin on Monday, November 12, 2012 with an expected final completion date of March 10, 2013.

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

Goal 9: Develop a well-balanced transportation system that supports automobile, local transit, pedestrian, bicycle, air, and freight movement while protecting air, water and natural resources.

The curb, gutter, and sidewalk replacement project corrects defects in concrete along streets that need to convey water as well as provide a safe means of travel to the general public. This is a needed maintenance activity to maintain the existing street system to move traffic throughout the community safely and efficiently.

Board or Committee Recommendation:

N/A

Financial Impact/Budget:

The funding to complete this project is budgeted in the Capital Improvement Fund.

Legal issues:

N/A

Other issues:

N/A

Previously presented or discussed:

N/A

Attachments:

N/A



**Attach 9
CITY COUNCIL AGENDA ITEM**

Date: 10-22-2012
 Author: Larry Brown
 Title/ Phone Ext: Persigo Operations & Maint Sprvsr/ #940
 Proposed Schedule: November 7, 2012
 2nd Reading
 (if applicable): _____

 File # (if applicable): _____

Subject: Purchase of Cargo Van Equipped with a Color Closed Circuit Televised (CCTV) Internal Sewer Line Inspection System
Action Requested/Recommendation: Authorize the City Purchasing Division to Purchase a Cargo Van Equipped with a Video Inspection System from DW Inspection Systems in the Amount of \$184,857.00
Presenter(s) Name & Title: Terry Franklin, Utilities & Streets Manager Jay Valentine, Internal Services Manager

Executive Summary: This request is for the purchase of an extended body van that is equipped with a color CCTV camera system to be used for internal sewer line inspections.

Background, Analysis and Options: This additional pipe line inspection van will be utilized as part of the resources needed to provide ongoing maintenance in the 201 sewer system. Our current policy with CCTV is to inspect every backup and all new construction. The addition of this new equipment will allow staff to keep up with current workloads, as well as provide service in the Central Grand Valley Sewer District, should the dissolution of the District be approved by voters this November.

Funds are allocated for this equipment in the 2012 Sewer Enterprise Fund budget.

A formal Request for Proposals was issued via BidNet (an on-line site for government agencies to post solicitations) and advertised in The Daily Sentinel.

FIRM	LOCATION	COST
SPX/Pearpoint (2013 Freightliner/Sprinter)	Denver, CO	\$176,410.00
DW Inspection Systems (2013 Mercedes-Benz/Sprinter)	Henderson, CO	\$184,587.00

The low price offered by SPX/Pearpoint had nine exceptions to the specifications. Some of the exceptions would have negative impacts on the operation of the unit in the field, and their proposal was deemed non-responsive. These exceptions are:

- The wash down system is mounted on the opposite side of the van creating potential safety issues or a larger area needing to be barricaded while working in traffic areas.

- The small wheel drive transporter unit that carries the TV equipment through the pipes is not steerable, making it more likely to get hung up on debris, line offsets or just not being able to maneuver through manholes.
- The van unit is limited to 1000' of cable, creating more set up and tear downs between inspection sites. Some manholes in our system are spaced between 500' and 600' apart.
- The tv equipment transporter unit requires an electrical current to place the unit in a freewheel mode, so if the cable is pulled apart, the transporter wheels lock requiring the unit to be dragged out of the line.
- The tv equipment transporter unit is not pressurized to keep moisture out. A pressurized unit monitors the pressure within the transporter unit and lets you know if the internal pressure is lost before any seepage and internal damage can occur.
- The cable strength is 500 pounds below the specification. Equipment occasionally gets stuck in the pipe requiring external pulling on the cable to get the equipment unstuck. A broken cable usually requires digging a hole in the street to retrieve the equipment.

The next offer from DW Inspection has one exception to the specifications. The cable reel system is only capable of holding 1200' of the 1500' specified.

Because of physical size limitations, CNG fuel was not an option for this vehicle.

The internal inspection equipment offered with the DW Inspection proposal is the same equipment that is already being used by wastewater division collection staff. It has been used for the past five years without any issues. Integration, training and spare parts requirements would be minimal.

Board or Committee Recommendation:

N/A.

Financial Impact/Budget:

Budgeted funds for this unit are found in the Persigo capital account.

Legal issues:

N/A

Other issues:

N/A

Previously presented or discussed:

N/A

Attachments:

N/A



Date: 10/18/2012
 Author: Terry Franklin
 Title/ Phone Ext: Utilities Manager
/1495
 Proposed Schedule:
11/07/2012
 2nd Reading
 (if applicable): _____

 File # (if applicable): N/A

Attach 10
CITY COUNCIL AGENDA ITEM

Subject: Contract for a 55 kW Photovoltaic Solar System
Action Requested/Recommendation: Authorize the City Purchasing Division to Enter into a Contract with Sunsense Inc, Carbondale, CO in an Amount of \$190,944.
Presenter(s) Name & Title: Terry Franklin, Utilities & Streets Manager Jay Valentine, Internal Services Manager

Executive Summary: Request to enter into a contract with Sunsense, Inc., Carbondale, CO to construct a 55 kilowatt (kW) photovoltaic solar system at the Water Treatment Plant.

Background, Analysis and Options: The City of Grand Junction currently has a 100 kW ground mounted photovoltaic solar generating system installed at the City’s Water Treatment Facility, and is looking to add an additional ground mounted system to the facility, with the goal meeting 100% of facility kilowatt hour requirements. The City issued a Request for Proposals (RFP) for turnkey engineering, procurement, and construction services for a ground mounted solar generation facility with a capacity of 55 kW (DC) that will be a direct grid tie to Xcel Energy’s electrical infrastructure. The City invited proposals from all potential respondents who are capable of meeting the following requirements:

- Provide complete engineering and design services using fully licensed design professionals and provide fully engineered and PE stamped designs; and
- Provide complete procurement and delivery services for all required equipment to construct a fully operational 55 kW (DC) solar array; and
- Provide complete turnkey construction services for the installation of all components of a 55 kW (DC) solar array
- Interconnect a 55 kW (DC) solar array with Xcel electrical distribution system; and
- Achieve commercial operation prior to 6/1/2013; and
- Have constructed a solar generation facility with a nameplate capacity of at least 50 kW; and
- Propose a total price for completed system.

The solicitation was advertised in the Daily Sentinel, sent to the Western Colorado Contractor's Association, posted on Bidnet, and on the City's website.

The City received 11 proposals from prospective companies interested in working with us on a project. The proposals were evaluated on completeness, equipment selection,

warranties, experience with systems of similar design and size, the net return of Renewable Energy Credits (REC's) from Xcel Energy, and the cumulative energy savings over a 25 year period, which is within the warranty time of the photovoltaic panels. The top three proposals from this initial screening were interviewed and asked to provide more detail about their proposals.

Company	Location	Installation Cost	Value of REC's	25 year Energy Savings	Total 25 Year Savings
Sunsense, Inc.	Carbondale, CO	(\$190,944)	\$184,022	\$355,238	\$348,316
Four Corners Solar	Durango, CO	(\$168,846)	\$161,065	\$350,074	\$342,293
High Noon Solar	Grand Junction, CO	(\$221,385)	\$162,434	\$353,849	\$294,898

The interview team selected Sunsense, Inc. to complete the project. Their proposal provided the best return on our investment, met all the requirements of the initial RFP, and had the most experience designing and installing ground mount systems. Sunsense, Inc also had a \$0.10 per kilowatt REC from Xcel Energy for a project. The other proposals would only be able to get \$0.09 per kilowatt from Xcel Energy.

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

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

Completing this solar energy project reduces energy consumption allowing the water enterprise fund to maintain a lower service rate to customers.

Board or Committee Recommendation:

Installation of renewable energy at the Water Plant furthers one of GJ CORE's goals to promote energy conservation in City operations.

Financial Impact/Budget:

Cost for Sunsense, Inc. to construct the 55 kW photovoltaic solar system is \$190,944. Funding is allocated in the 2012 Water Fund CIP.

Legal issues:

N/A

Other issues:

N/A

Previously presented or discussed:

N/A

Attachments:

N/A



Date: October 19, 2012
 Author: Mike Vendegna
 Title/ Phone Ext: Parks
Superintendent / 3834
 Proposed Schedule: November 7,
2012
 2nd Reading
 (if applicable): _____
 File # (if applicable): _____

Attach 11
CITY COUNCIL AGENDA ITEM

Subject: Lincoln Park Renovation – Phase II Construction
Action Requested/Recommendation: Authorize the Purchasing Division to Enter into a Contract with All Concrete Solutions, LLC for the Construction of the Lincoln Park Renovation - Phase II Project in the Amount of \$186,345.50
Presenter(s) Name & Title: Rob Schoeber, Parks and Recreation Director Jay Valentine, Internal Services Manager

Executive Summary:

In 2011, the Parks and Recreation Department completed a Park Inventory and Future Needs Assessment, which is an evaluation program of all park facilities for safety, accessibility, and cost of maintenance. In conjunction with the study, a number of partner and public meetings were conducted to determine the community needs of Lincoln Park. Findings determined the accessibility into and throughout the park are sorely inadequate, and the loop road had become a hindrance to the park and not an asset.

Background, Analysis and Options:

Lincoln Park, the premier park of the park system, is one of the most heavily used parks on the Western Slope. Lincoln Park is classified as a regional park, mainly due to the multitude of different events it hosts, such as Pork and Hops, JUCO and the many events at the Lincoln Park Sports Complex. In addition, Lincoln Park also serves as a community park providing services to the immediate neighborhood as well. The park is accessed by three intersections. Two of the three have been determined to be an inadequate ingress and egress into and out of the park. The first is the five-sided intersection at the corner of 12th Street and Gunnison Avenue called the “Loop” Road which is a one-way northbound road cutting through the grassy area in the southwest corner. The second is the west access into the park off 12th Street in front of the Lincoln Park Barn. Once inside the park, there are not adequate sidewalks providing access to the amenities throughout the park. Much of the walking connection throughout the park is currently made across turf which is difficult to walk on and next to impossible for those in wheel chairs. Lincoln Park Renovation – Phase II encompasses:

- The redesign and construction of the northwest entrance of the park off 12th Street. Once complete, this intersection would consist of a deceleration lane heading north on 12th Street, a widened intersection at the entrance, curb and gutter, and removal of some of the deteriorated asphalt which will be replaced with concrete.
- Removal of the “Loop” road and redesign and construction of the intersection at 12th Street and Gunnison Avenue. Currently this is a five way intersection which is very confusing for traffic and pedestrians. The traffic light will be moved south and the intersection will be changed to a four way, which is much safer and more pedestrian and vehicle friendly. In addition, the asphalt road; “Loop Road”, dissecting the park down the middle will be removed and replaced with turf which will tremendously increase safety within the park and allow more green space for events and general recreation.
- Lincoln Park is the home of many unique trees. An arboretum will be constructed as well as a concrete sidewalk system that will serve the arboretum but most importantly provide access for park visitors to every amenity within the park.

A formal solicitation was issued through BidNet (an on-line site for governmental bid document distribution), posted on the City’s internet Bid page, advertised in the Daily Sentinel, and sent to the Western Colorado Contractors Association (WCCA).

Bids were received from the following companies:

Company	Location	Amount
All Concrete Solutions, LLC	Grand Junction, CO	\$186,345.50
Vista Paving Corporation	Grand Junction, CO	\$186,517.96
M.A. Concrete Construction	Grand Junction, CO	\$278,542.83

This project is scheduled to begin November 13, 2012 and is to be completed by January 18, 2013.

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

Goal 10: Develop a system of regional, neighborhood and community parks protecting open space corridors for recreation, transportation and environmental purposes.

This project is an infrastructure upgrade to Grand Junction’s premier regional park. The project will provide for a safe flow for vehicle and pedestrian traffic as well as making Lincoln Park fully accessible. The walkways, handicap parking, and concrete curb ramps including detectable warnings that will meet ADA standards and located within the park to provide access for all park users and large events.

Board or Committee Recommendation:

This plan was developed from a series of public meetings, and was presented to the Parks and Recreation Advisory Board and the Parks Improvement Advisory Board.

Financial Impact/Budget:

The overall Phase II budget for Lincoln Park includes a \$250,000 Great Outdoors Colorado grant, \$2,820 in community donations, and matching funds from the City of Grand Junction as seen in the project budget below.

Lincoln Park Phase II Budget	
Project Funding	
GOCO	\$250,000
City of Grand Junction	\$505,000
Community Donations	\$2,820
Total Funding	\$757,820
Project Costs	
Restroom Construction (Completed)	\$321,861
Playground Equipment	\$199,970
Park Renovation	\$186,346
Road Base	\$4,284
Installation Supplies	\$3,402
Total Project Costs	\$715,863
Project Funds Remaining	\$41,957

Legal issues:

N/A

Other issues:

N/A

Previously presented or discussed:

The Parks Inventory and Future Needs Assessment was presented at a City Council retreat in June, 2011 and the Lincoln Park Master Plan was presented and a City Council workshop on February 13, 2012.

Attachments - Lincoln Park Renovation - Phase II Projects:

- Photo of the existing loop road and entrance at 12th Street into the park
- Photo of a portion of the proposed arboretum / fully accessible sidewalk system
- Map of all phases of the Lincoln Park Renovation project

Figure 1



Figure 1 – removal of the Loop Road and redesign and construction of the 12th Street entrance

Figure 2 – construction of the arboretum trail, fully accessible side walk system

Figure 2



Figure 3 – Map of Lincoln Park Master Plan

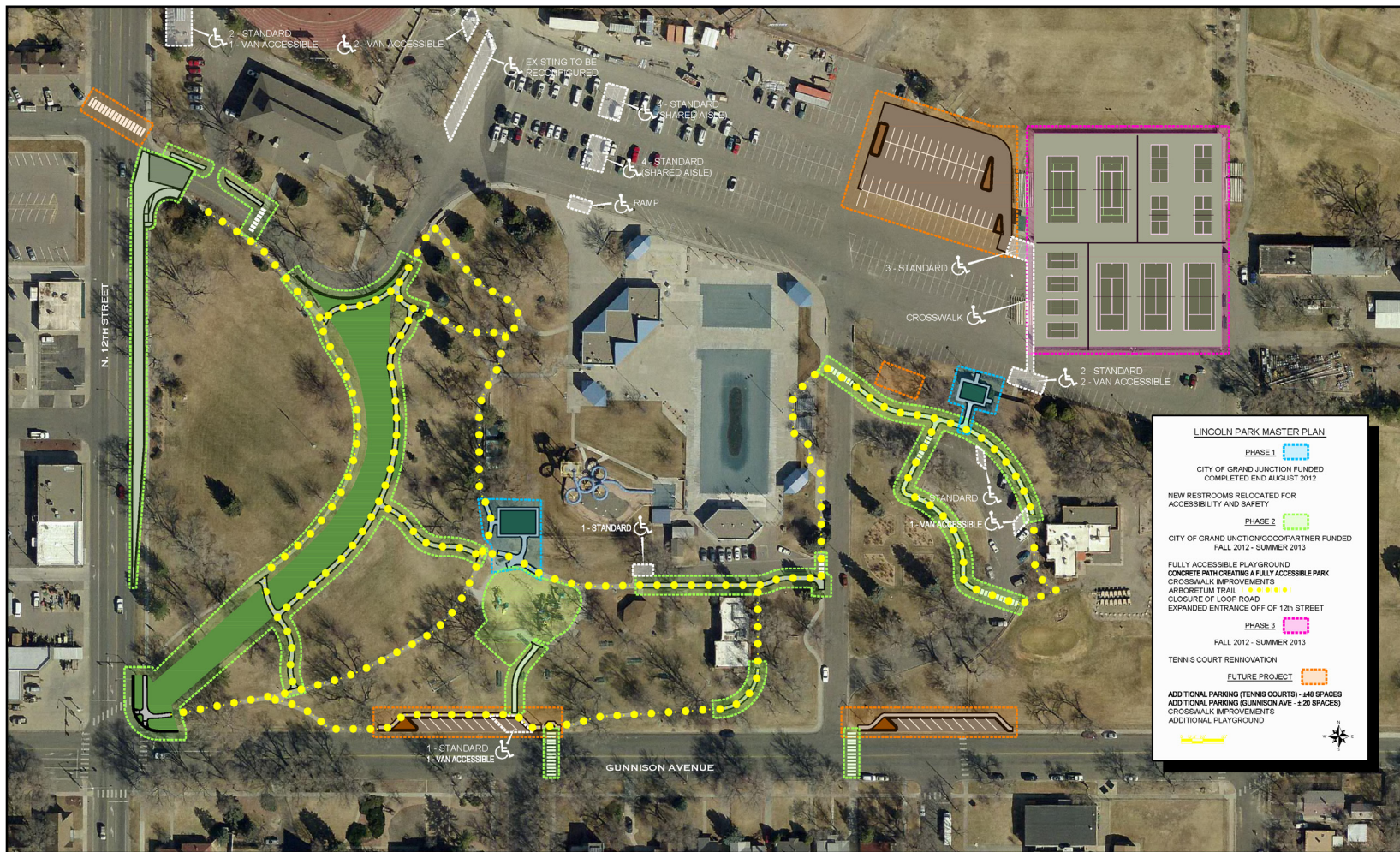


Figure 3



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

Attach 12
CITY COUNCIL AGENDA ITEM

Subject: Rezone Property Located at 2674 Patterson Road from R-4 (Residential 4 du/ac) to R-O (Residential Office)
Action Requested/Recommendation: Hold a Public Hearing to Consider Final Passage and Final Publication in Pamphlet Form of the Proposed Zoning Ordinance
Presenter(s) Name & Title: 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 12th 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					
Location:		2674 Patterson Road			
Applicants:		Hyre Heights LLC – Jephtha Sheene, Janice Burtis			
Existing Land Use:		Residential			
Proposed Land Use:		Residential			
Surrounding Land Use:	North	Residential			
	South	Hospital			
	East	Parking; ATM			
	West	Residential			
Existing Zoning:		R-4 (Residential 4 du/ac)			
Proposed Zoning:		R-O (Residential Office)			
Surrounding Zoning:	North	R-4 (Residential 4 du/ac)			
	South	B-1 (Neighborhood Business)			
	East	PD (Planned Development)			
	West	R-4 (Residential 4 du/ac)			
Future Land Use Designation:		Residential Medium (4-8 du/ac)			
Zoning within density range?		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. 7th 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

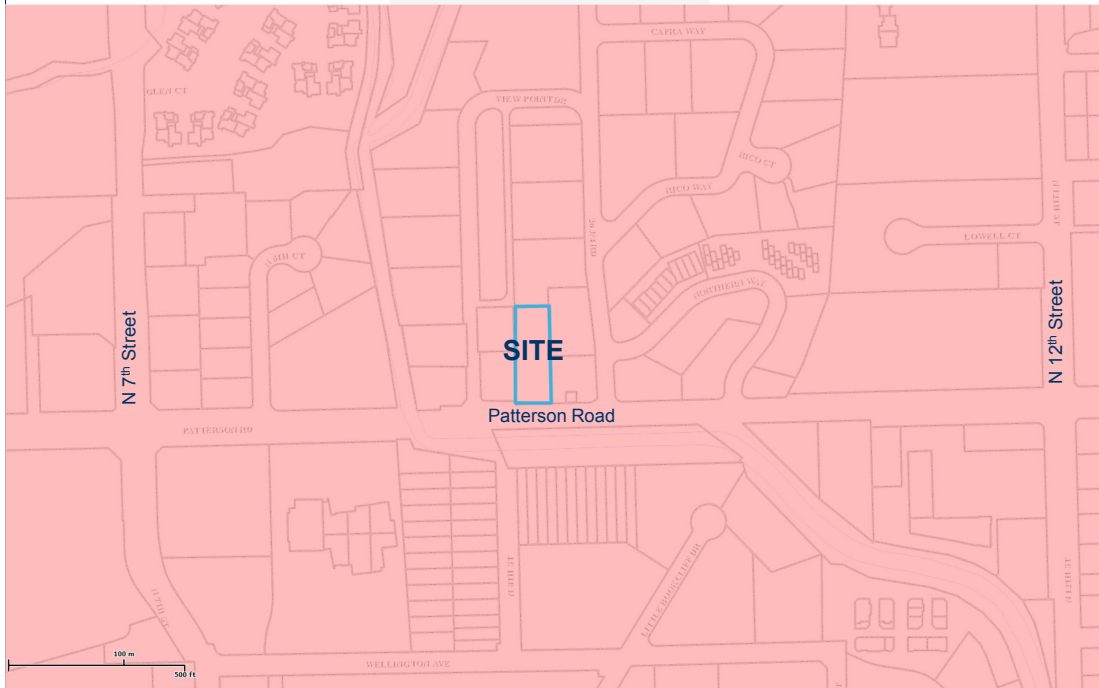
609 View Point Drive

Grand Junction, Colorado 81506

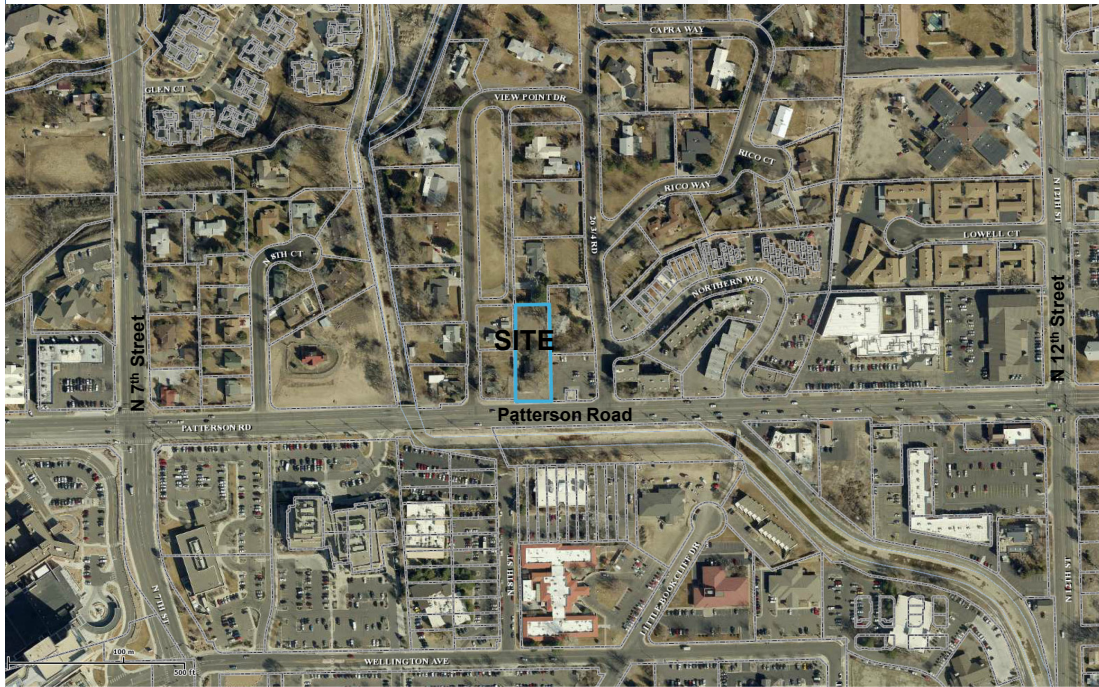
(970) 245-5043

slambert 4765@gmail.com

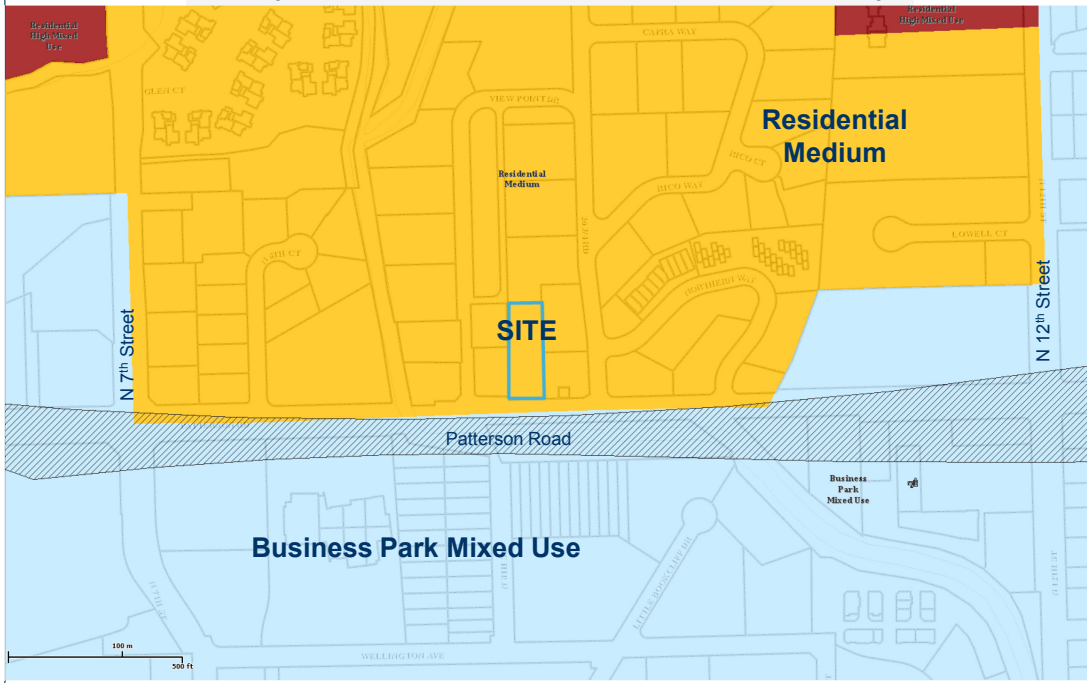
Site Location Map



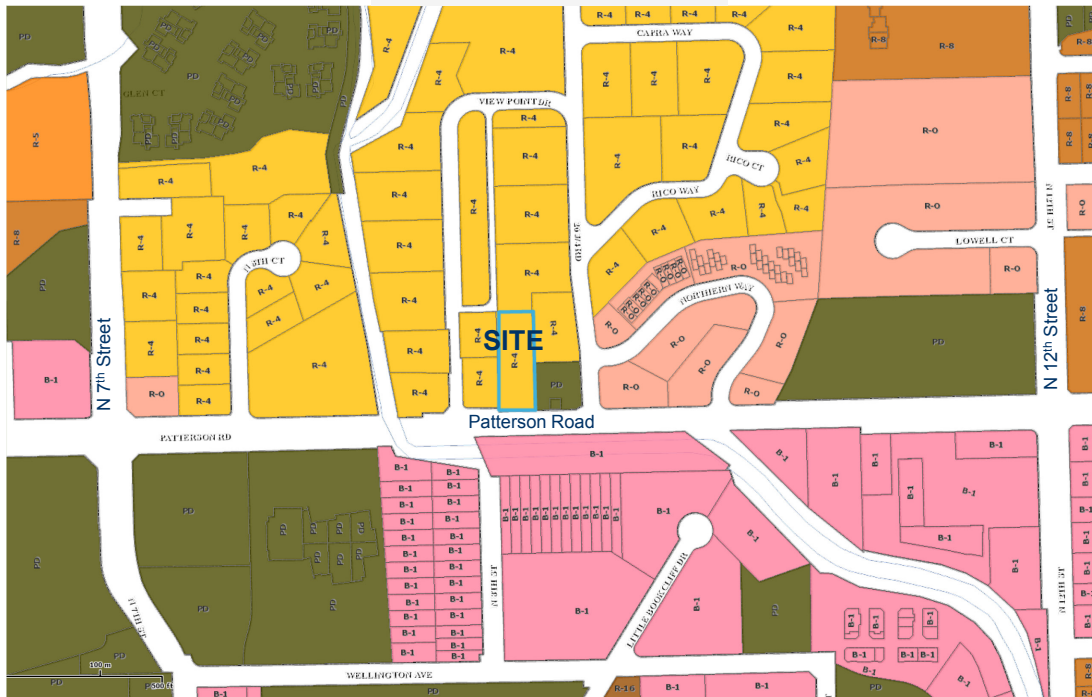
Aerial Photo Map



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 17th day of October, 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 13
CITY COUNCIL AGENDA ITEM**

Date: 11/1/2012
 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: Hold a Public Hearing and Consider Final Passage and Final Publication in Pamphlet Form
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 11th, 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) or 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. 4558

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 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 17th 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 7th 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	Aye			
Laura Luke	Aye			
Tom Kenyon	Aye			
Sam Susuras	Aye			
Bennett Boeschenstein	Aye			
Teresa Coons	Aye			
Jim Doody	Aye			

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)