

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 have the meanings ascribed to them in the Bond Ordinance. The Bonds are [not] subject to redemption prior to maturity.

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

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

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

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

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

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

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

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

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

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

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

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

President of the City Council

(MANUAL OR FACSIMILE SEAL)

Attest:

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.

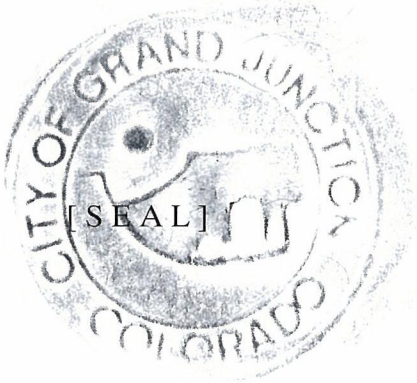
Section 32. Repealer. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

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.

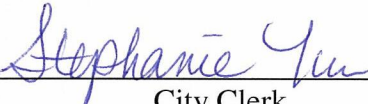


CITY OF GRAND JUNCTION, COLORADO



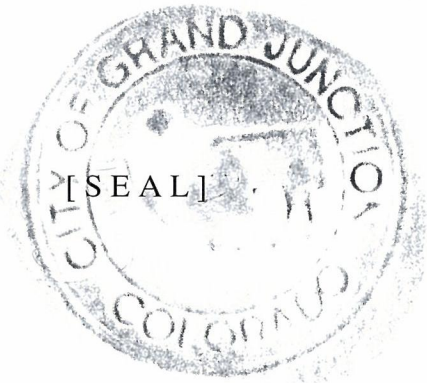
President of the City Council

Attest:




City Clerk

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

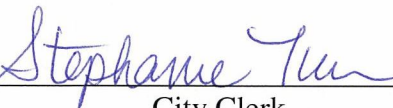


CITY OF GRAND JUNCTION, COLORADO



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 Boeschstein	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	Aye			
Laura Luke	Aye			
Tom Kenyon	Aye			
Sam Susuras	Aye			
Bennett Boeschstein	Aye			
Teresa Coons	Aye			
Jim Doody	Aye			

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 19th, 2012 and November 9th, 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 9th day of November, 2012.

Stephanie Tuin
City Clerk and Clerk to the Council

[S E A L]

To access the Agenda and Backup Materials electronically, go to www.gjcity.org



**CITY COUNCIL AGENDA
WEDNESDAY, OCTOBER 17, 2012
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

*****Presentation/Recognition**

September Yard of the Month

Proclamation

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

Appointment

To the Grand Junction Housing Authority

Certificates of Appointment

To the Planning Commission and Zoning Board of Appeals

Council Comments

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

@Action: Adopt Resolution No. 40-12

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

1. **Minutes of Previous Meeting** **Attach 1**
Action: Approve the Minutes of the October 3, 2012 Regular Meeting

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

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

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

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

Staff presentation: Senta Costello, Senior Planner

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

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

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

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

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

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

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

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

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

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

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

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

@Action: Adopt Resolution No. 40-12 and Hold a Public Hearing and Consider Final Passage and Final Publication in Pamphlet Form of Ordinance Nos. 4555 and 4556

Staff presentation: Lori V. Bowers, Senior Planner

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

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

proposed to split evenly between the DDA, City, and Avalon Theatre Foundation Board.

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

Staff presentation: Debbie Kovalik, Economic, Convention,
and Visitor Services Director

Harry Weiss, Downtown Development

Authority Director

Jay Valentine, Internal Services Manager

6. **Non-Scheduled Citizens & Visitors**
7. **Other Business**
8. **Adjournment**

To access the Agenda and Backup Materials electronically, go to www.gjcity.org



**CITY COUNCIL AGENDA
WEDNESDAY, NOVEMBER 7, 2012
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

***** 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**

State PROOF OF PUBLICATION

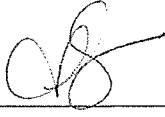
NOTICE OF PUBLIC HEARING
 NOTICE IS HEREBY GIVEN THAT:
 The City Council of the City of Grand Junction, Colorado, at its regular convened meeting on October 17, 2012, passed on first reading the following entitled proposed ordinance:
 AN ORDINANCE AUTHORIZING THE ISSUANCE OF (A) THE CITY OF GRAND JUNCTION, COLORADO, DOWNTOWN DEVELOPMENT AUTHORITY, TAX-EXEMPT 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 and authorized the publication in pamphlet form.
 NOTICE IS FURTHER GIVEN THAT the public hearing will be held: November 7, 2012 at 7:00 p.m. in the City Hall Auditorium, 250 N. 5th Street, at which time public comments will be taken and considered before the final adoption of the proposed ordinance.
 Copies of the proposed ordinance are available for public inspection in the City Clerk's Office, 250 North 5th Street, City Hall, at any time Monday through Friday between the hours of 7:30 a.m. and 5:30 p.m. or on the web at www.gjcity.org.
 BY THE ORDER OF THE CITY COUNCIL
 /s/ Stephanie Tulin
 City Clerk
 Published: October 19, 2012.

STATE OF COLORADO

County of (Mesa)

Terry Laubhan

Being duly sworn, says that I am Legal Secretary of The Daily Sentinel, a daily newspaper, published and duly printed in The County of Mesa, State of Colorado; that said newspaper has a general circulation in said County and has been continuously and uninterrupted published therein, during a period of at least fifty-two consecutive weeks next prior to the first publication of the annexed notice; that said newspaper is a newspaper within the meaning of the act of the general Assembly of the State of Colorado, entitled "An Act to regulate the printing of legal notices and advertisements," and amendments thereto; that the notice of which the annexed is a printed copy taken from said newspaper, was published in said newspaper, and in the regular and entire issue of every number thereof once a week for 1 successive week; that said notice was so published in said newspaper proper and not in any supplement thereof, and that first publication of said notice as aforesaid, was on the 19th day of October, 2012, and the last, on the 19th day of October, 2012. Copies of each number of said paper in which said notice and/or list was published were delivered by carriers or transmitted by mail to each of the subscribers of said newspaper, The Daily Sentinel, according to the accustomed mode of business in this office.



Subscribed and sworn to before me, this 19th day of October, 2012

Suzanne E. Buskist

SUZANNE E. BUSKIST
 STATE OF COLORADO
 NOTARY PUBLIC
 NOTARY ID #20124002410
 My Commission Expires February 7, 2016

State PROOF OF PUBLICATION

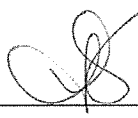
NOTICE OF ADOPTION OF ORDINANCE NO. 4558 AN ORDINANCE OF THE CITY OF GRAND JUNCTION TO BE PUBLISHED IN PAMPHLET FORM. NOTICE IS HEREBY GIVEN: That on the 7th day of November, 2012, at 7:00 p.m. in the City Hall Auditorium, 250 N. 5th Street, Grand Junction, Colorado, the City Council of the City of Grand Junction held a public hearing, after proper notice, to consider the final passage of an Ordinance, the title of which is: AN ORDINANCE AUTHORIZING THE ISSUANCE OF (A) THE CITY OF GRAND JUNCTION, COLORADO, DOWNTOWN DEVELOPMENT AUTHORITY, TAX EXEMPT 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. Copies of the adopted Ordinance are available for public inspection in the office of the City Clerk, 250 N. 5th Street, Grand Junction, CO between 7:30 a.m. and 5:30 p.m., Monday through Friday or on the web at www.gjcity.org. /s/ Stephanie Tuin, MMC City Clerk Published: November 9, 2012

STATE OF COLORADO

County of (Mesa)

Terry Laubhan

Being duly sworn, says that I am Legal Secretary of The Daily Sentinel, a daily newspaper, published and duly printed in The County of Mesa, State of Colorado; that said newspaper has a general circulation in said County and has been continuously and uninterruptedly published therein, during a period of at least fifty-two consecutive weeks next prior to the first publication of the annexed notice; that said newspaper is a newspaper within the meaning of the act of the general Assembly of the State of Colorado, entitled "An Act to regulate the printing of legal notices and advertisements," and amendments thereto; that the notice of which the annexed is a printed copy taken from said newspaper, was published in said newspaper, and in the regular and entire issue of every number thereof once a week for 1 successive week; that said notice was so published in said newspaper proper and not in any supplement thereof, and that first publication of said notice as aforesaid, was on the 9th day of November, 2012, and the last, on the 9th day of November, 2012. Copies of each number of said paper in which said notice and/or list was published were delivered by carriers or transmitted by mail to each of the subscribers of said newspaper, The Daily Sentinel, according to the accustomed mode of business in this office.



Subscribed and sworn to before me, this 9th day of November, 2012

Suzanne E. Buskist

SUZANNE E. BUSKIST
STATE OF COLORADO
NOTARY PUBLIC
NOTARY ID #20124002410
My Commission Expires February 7, 2016