

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-95
Series of 2006

Series of 2006

A RESOLUTION ASSIGNING AND TRANSFERRING TO THE CITY AND COUNTY OF DENVER, COLORADO, A PORTION OF THE CITY OF NORTHGLENN'S 2006 ALLOCATION FROM THE STATE CEILING FOR PRIVATE ACTIVITY BONDS TO FINANCE RESIDENTIAL HOUSING FACILITIES FOR LOW- AND MIDDLE-INCOME PERSONS AND FAMILIES WITHIN THE CITY AND CERTAIN OTHER CITIES AND COUNTIES IN THE STATE OF COLORADO; AUTHORIZING THE DELEGATION TO THE CITY AND COUNTY OF DENVER, COLORADO OF THE AUTHORITY OF NORTHGLENN WITH RESPECT TO THE ISSUANCE OF SINGLE FAMILY HOME MORTGAGE REVENUE BONDS (THE "BONDS") TO FINANCE RESIDENTIAL HOUSING FACILITIES FOR LOW- AND MIDDLE-INCOME PERSONS AND FAMILIES WITHIN THE CITY AND CERTAIN OTHER CITIES AND COUNTIES IN THE STATE OF COLORADO; APPROVING SUCH BONDS AND THE SINGLE FAMILY MORTGAGE LOAN PROGRAM; AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DELEGATION AND PARTICIPATION AGREEMENT, AN ASSIGNMENT AGREEMENT AND OTHER DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, the City of Northglenn, Colorado (the "City"), and the City and County of Denver, Colorado (the "Issuer"), are each authorized by the County and Municipality Development Revenue Bond Act, constituting article 3 of title 29, Colorado Revised Statutes, as amended (the "Act"), to finance projects as defined in the Act, including residential housing facilities for low- and middle-income persons and families; and

WHEREAS, the City has been awarded on January 1, 2006 approximately \$1,424,480 (the "2006 Allocation") of the bond ceiling for the State of Colorado (the "State") and its issuing authorities pursuant to the Colorado Private Activity Bond Ceiling Allocation Act, constituting Part 17 of Article 32 of Title 24, Colorado Revised Statutes, as amended (the "Allocation Act"), for use in the issuance of private activity bonds to finance projects under the Act among the issuing authorities of the State of Colorado; and

WHEREAS, the Allocation Act provides for the assignment of bond allocations between issuing authorities of the State; and

WHEREAS, the City desires to assign and transfer to the Issuer an amount equal to \$1,424,480 of the 2006 Allocation, which the City will commit and reserve for the issuance of such private activity bonds, to finance residential housing facilities for low- and middle-income persons and families within the City and other cities and counties in the State of Colorado; and

WHEREAS, it is necessary to evidence such assignment and transfer and the acceptance thereof by the execution and delivery by the City of an Assignment (the "Assignment") between

the City and the Issuer in substantially the form presented at this meeting.

WHEREAS, Section 29-3-104(2) of the Act provides that a county or municipality may delegate by resolution or ordinance, as the case may be, to any other county or municipality authority to act on its behalf in the financing of projects under the Act and that any such delegation may be general or limited in scope and time and may be irrevocable for the term or terms of any financing agreement or bond issue, all as provided in such resolution or ordinance; and

WHEREAS, the Issuer proposes to issue single family home mortgage revenue bonds pursuant to the Act (the “Bonds”) to finance residential housing facilities for low- and middle-income persons and families within the City and other cities and counties in the State of Colorado (the “Single Family Mortgage Loan Program”); and

WHEREAS, the City desires to delegate to the Issuer the authority of the City to finance and otherwise take action and exercise power under the Act on behalf of the City with respect to the Single Family Mortgage Loan Program within the City; and

WHEREAS, it is necessary to evidence such delegation by the execution and delivery by the City of a Delegation and Participation Agreement (the “Delegation and Participation Agreement”) between the City and the Issuer in substantially the form presented at this meeting.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. In order to facilitate the origination of single family mortgage loans within the boundaries of the City as part of the Single Family Mortgage Loan Program, the City hereby (i) assigns and transfers to the Issuer an amount equal to \$1,424,480 of the 2006 Allocation, (ii) delegates to the Issuer the authority of the City to finance and otherwise take action and exercise power under the Act on behalf of the City with respect to the Single Family Mortgage Loan Program within the City and (iii) approves, and authorizes and directs the Mayor of the City to sign and deliver and the City Clerk to attest and deliver, the Assignment and the Delegation and Participation Agreement in substantially the forms presented at this meeting. Copies of the proposed Assignment and Delegation and Participation Agreement are on file in the office of the City Clerk and are available for inspection by the public.

Section 2. The Council hereby approves the Bonds and the Single Family Mortgage Loan Program for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 3. The Mayor of the City is hereby authorized and directed to execute and deliver and the City Clerk is hereby authorized and directed to attest and deliver such other agreements and certificates and to take such other actions as may be necessary or convenient to carry out and give effect to the Delegation and Participation Agreement, the Assignment, and this Resolution, including any agreement or certificate approving the Bonds or the Single Family Mortgage Loan Program for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 4. Nothing contained in this Resolution, the Assignment, or the Delegation and Participation Agreement shall constitute a debt, indebtedness or multiple-fiscal year direct or indirect debt or other financial obligation of the City within the meaning of the Constitution or statutes of the State of Colorado or the home rule charter of any political subdivision thereof, nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Section 5. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. This Resolution shall be in full force and effect upon its passage and approval.

DATED at Northglenn, Colorado, this ____ day of _____, 2006.

KATHLEEN M. NOVAK
Mayor

ATTEST:

DIANA L. LENTZ, CMC
City Clerk

APPROVED AS TO FORM:

City Attorney

CERTIFICATE OF THE CITY OF NORTHGLENN, COLORADO

Relating to

CITY AND COUNTY OF DENVER, COLORADO (METRO MAYORS CAUCUS) SINGLE FAMILY HOME MORTGAGE REVENUE BONDS SERIES 2006A (AMT)

The undersigned Mayor and City Clerk of the City of Northglenn, Colorado (the “City”) hereby certify that:

1. **Resolution.** Attached hereto as Exhibit A is a true and correct copy of a Resolution of the City Council of the City (the “Council”) that was adopted by the Council in accordance with applicable law on the date indicated therein (the “Resolution”). All meetings of the Council at which action relating to the Resolution was taken were properly noticed in the manner and at the times required by law, were open at all times to the general public and were attended by a quorum of the Council. The Resolution has been signed, attested, sealed and made a permanent part of the records of the Council in accordance with applicable law; is in full force and effect; and has not been amended, modified or repealed since its adoption.

2. **Delegation and Participation Agreement.** Attached hereto as Exhibit B is a true and correct copy of a Delegation and Participation Agreement dated as of the date indicated therein (the “Delegation and Participation Agreement”) between the City and the City and County of Denver, Colorado (the “Issuer”). The Delegation and Participation Agreement has been duly authorized, executed and delivered by the City and, upon due authorization, execution and delivery by the Issuer, will constitute a valid and binding obligation of the City, enforceable against the City in accordance with its terms.

3. **Assignment Agreement.** Attached hereto as Exhibit C is a true and correct copy of an Assignment Agreement dated as of the date indicated therein (the “Assignment”) between the City and the Issuer. The Assignment has been duly authorized, executed and delivered by the City and, upon due authorization, execution and delivery by the Issuer, will constitute a valid and binding obligation of the City, enforceable against the City in accordance with its terms.

4. **Approval of Bonds and Project.** A public hearing on behalf of the Council, the City and the Issuer was held in the office of the Department of Revenue for the City and County of Denver, Colorado. At such public hearing, all interested persons were given an opportunity to express their views, both orally and in writing, on the proposed issuance of the Bonds and the location and nature of the Single Family Mortgage Loan Program. The Council has received a report of the hearing. The undersigned Mayor of the City, as the chief elected executive official of the City acting as such after such public hearing, hereby approves the Bonds and the Single Family Mortgage Loan Program, which approval is intended to comply with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____,
2006.

By _____
Mayor

By _____
City Clerk

EXHIBIT B

DELEGATION AND PARTICIPATION AGREEMENT

THIS DELEGATION AND PARTICIPATION AGREEMENT (this “Delegation and Participation Agreement”) is between the CITY OF NORTHGLENN, COLORADO, a home rule city and municipal corporation of the State of Colorado (the “City”), and the CITY AND COUNTY OF DENVER, COLORADO, a home rule city, a municipal corporation and a political subdivision of the State of Colorado (the “Issuer”).

RECITALS:

WHEREAS, the City and the Issuer are each authorized by the County and Municipality Development Revenue Bond Act, constituting article 3 of title 29, Colorado Revised Statutes, as amended (the “Act”), to finance projects as defined in the Act, including residential housing facilities for low- and middle-income persons and families; and

WHEREAS, Section 29-3-104(2) of the Act provides that a county or municipality may delegate by resolution or ordinance, as the case may be, to any other county or municipality authority to act on its behalf in the financing of projects under the Act and that any such delegation may be general or limited in scope and time and may be irrevocable for the term or terms of any financing agreement or bond issue, all as provided in such resolution or ordinance; and

WHEREAS, pursuant to an Assignment Agreement dated the date hereof (the “Assignment”), the City is assigning and transferring to the Issuer \$1,424,480 of the City’s 2006 bond ceiling for the State of Colorado and its issuing authorities computed under Section 146(d) of the Internal Revenue Code of 1986, as amended, under the Colorado Private Activity Bond Ceiling Allocation Act, constituting Part 17 of Article 32 of Title 24, Colorado Revised Statutes, as amended, for use in the issuance of private activity bonds; and

WHEREAS, the Issuer proposes to issue single family home mortgage revenue bonds pursuant to the Act (the “Bonds”) to finance residential housing facilities for low- and middle-income persons and families within the City and other cities and counties in the State of Colorado (the “Single Family Mortgage Loan Program”); and

WHEREAS, the City wishes to participate in the Single Family Mortgage Loan Program; and

WHEREAS, the City desires to delegate to the Issuer the authority of the City to finance and otherwise take action and exercise power under the Act on behalf of the City with respect to the Single Family Mortgage Loan Program within the City.

NOW THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, the City and the Issuer hereby agree as follows:

Section 1. The City hereby delegates to the Issuer the authority of the City to finance and otherwise take action and exercise power under the Act on behalf of the City with respect to the Single Family Mortgage Loan Program within the City.

Section 2. The Issuer hereby accepts the delegation of authority from the City pursuant to Section 1 hereof and agrees to abide by each of the terms and conditions of this Delegation and Participation Agreement in connection with the use of such delegation. The Issuer agrees to

make available to the City no less than \$1,424,480 of the proceeds of the Bonds for the origination of home mortgages within the City's boundaries.

Section 3. The participation of the City in the Single Family Mortgage Loan Program, and all undertakings, obligations, duties and rights of the City and the Issuer under this Delegation and Participation Agreement, are contingent upon the issuance of the Bonds for the Single Family Mortgage Loan Program.

Section 4. In the event that the Bonds are not issued for use in the Single Family Mortgage Loan Program, this Delegation and Participation Agreement, and all duties, obligations and rights of the Issuer and the City hereunder, shall terminate. If the Bonds are not issued for use in the Single Family Mortgage Loan Program, the City agrees to hold the Issuer harmless for any costs or any other liabilities incurred by the City with respect to the adoption and approval of this Delegation and Participation Agreement, the Resolution of the City adopted with respect to the Single Family Mortgage Loan Program, or any other City actions related thereto.

IN WITNESS WHEREOF, the City and the Issuer have caused this Delegation and Participation Agreement to be executed to be effective as of _____, 2006.

[SEAL]

CITY OF NORTHGLENN, COLORADO

By _____
Mayor

Attest:

By _____
City Clerk

Approved as to form:

By _____
City Attorney

[SEAL]

CITY AND COUNTY OF DENVER,
COLORADO, as Issuer

By _____
Mayor

Attest:

By _____
Clerk and Recorder

Approved as to form:

By _____
City Attorney

Countersigned:

By _____
Auditor

EXHIBIT C

ASSIGNMENT AGREEMENT

This Assignment Agreement (the "Assignment") dated the _____ day of _____, 2006, is between the CITY OF NORTHGLENN, COLORADO, a home rule city and municipal corporation of the State of Colorado (the "Assignor") and the CITY AND COUNTY OF DENVER, COLORADO, a home rule city, a municipal corporation and a political subdivision of the State of Colorado (the "Assignee").

RECITALS

WHEREAS, the Assignor has been awarded approximately \$1,424,480 (the "2006 Allocation") of the bond ceiling for the State of Colorado and its issuing authorities (the "State Ceiling") computed under Section 146(d) of the Internal Revenue Code of 1986, as amended (the "Code"), under the Colorado Private Activity Bond Ceiling Allocation Act, constituting Part 17 of Article 32 of Title 24, Colorado Revised Statutes, as amended (the "Allocation Act"), for use in the issuance of private activity bonds; and

WHEREAS, subject to the terms and conditions set forth herein, the Assignor desires to assign and transfer to the Assignee, and the Assignee desires to accept, a portion of the Assignor's 2006 Allocation in an amount equal to \$1,424,480, which the Assignor agrees to commit and reserve for the issuance of such private activity bonds; and

WHEREAS, the private activity bonds will be issued by the Assignee pursuant to the County and Municipality Development Revenue Bond Act, constituting Article 3 of Title 29, Colorado Revised Statutes, as amended (the "Act"), and such bonds will be used for a purpose which qualifies as a "project" as described in the Act.

ASSIGNMENT

In exchange for the agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. In accordance with action taken by the governing body of the Assignor on Thursday, July 27, 2006, the Assignor hereby assigns and transfers to the Assignee, a portion of the Assignor's 2006 Allocation from the State Ceiling for private activity bonds in an amount equal to \$1,424,480 (the "Assigned Amount"). In addition, the Assignor hereby consents to the election by the Assignee, if the Assignee in its discretion so decides, to treat the Assigned Amount as an allocation for a project with a carryforward purpose and/or to make a mortgage credit certification election, thus avoiding reversion of the Assigned Amount to the statewide balance under the Allocation Act.

2. The Assignor represents that its has received no monetary consideration for the assignment set forth above.

3. The Assignee hereby:

(a) Accepts the assignment of a portion of the Assignor's 2006 Allocation from the State Ceiling described above; and

(b) Agrees to abide by each of the terms and conditions of this Assignment in connection with the use of a portion of the Assignor's 2006 Allocation.

IN WITNESS WHEREOF, the Assignor and the Assignee have caused this instrument to be executed to be effective as of the date and year first written above.

[SEAL]

CITY OF NORTHGLENN, COLORADO

By _____
Mayor

Attest:

By _____
City Clerk

Approved as to form:

By _____
City Attorney

[SEAL]

CITY AND COUNTY OF DENVER,
COLORADO, as Issuer

By _____
Mayor

Attest:

By _____
Clerk and Recorder

Approved as to form:

By _____
City Attorney

Countersigned:

By _____
Auditor



HAYES, PHILLIPS, HOFFMANN & CARBERRY, P.C.

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Hilary Mogue Graham
Jefferson H. Parker
Peter F. Waltz

July 21, 2006

City and County of Denver, Colorado
1437 Bannock Street
Denver, Colorado 80202

Ladies and Gentlemen:

We have acted as counsel for the City of Northglenn, Colorado (the "City") in connection with the assignment by the City to the City and County of Denver, Colorado (the "Issuer") of a portion of the City's allocation of the ceiling on private activity bonds which may be issued in the State of Colorado (the "State") during 2006 (the "2006 Allocation"), under Part 17 of Article 32 of Title 24, Colorado Revised Statutes, as amended (the "Allocation Act"), and the delegation by the City to the Issuer of authority to act on the City's behalf in the financing of residential housing facilities for low- and middle-income persons and families within the City under Article 3 of Title 29, Colorado Revised Statutes, as amended (the "Act"). This assignment and delegation is being effected pursuant to Resolution No. [REDACTED], adopted by the City Council of the City on July 27th, 2006 (the "Resolution"), an Assignment Agreement dated July 27th, 2006 (the "Assignment"), by and between the City and the Issuer, and a Delegation and Participation Agreement dated July 27th, 2006 (the "Delegation and Participation Agreement") by and between the City and the Issuer.

We have examined, among other things, a copy of the Resolution, the Assignment and the Delegation and Participation Agreement. We have also examined the Constitution of the State and such statutes and regulations as we have deemed appropriate, including, without limitation, certificates of public officials and of officers and representatives of the City, and such other documents as we have deemed necessary as a basis for the opinions hereinafter expressed. In the course of such examinations, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as copies.

Based upon the foregoing, under existing laws, regulations, rulings and judicial decisions, it is our opinion that:

1. The City is a home rule city and municipal corporation of the State duly organized and validly existing under the Constitution and the laws of the State.
2. The City has full legal right, power and authority: (a) to assign a portion of its 2006 Allocation

and delegate authority to the Issuer in accordance with the Resolution, the Assignment and the Delegation and Participation Agreement; (b) to adopt the Resolution; (c) to execute and deliver the Assignment and the Delegation and Participation Agreement; and (d) to perform its obligations under the Resolution, the Assignment and the Delegation and Participation Agreement.

3. The adoption or the execution and delivery of the Resolution, the Assignment and the Delegation and Participation Agreement by the City and the performance of the City's obligations thereunder have been duly authorized by the City, and each have been duly adopted or executed and delivered by the City, and each of them constitute valid and binding obligations of the City enforceable in accordance with its terms.

4. The adoption of the Resolution and the execution and delivery of the Assignment and the Delegation and Participation Agreement and compliance with the terms, conditions and provisions of each thereof will not conflict with or result in a breach or violation of any of the terms, conditions or provisions of the Constitution or the laws of the State, local resolutions, bylaws or other regulations, or any other governmental authority of any nature whatsoever as now existing, or, to the best of our knowledge, any agreement or instrument to which the City is now a part of or by which it is bound, or constitute a default thereunder.

5. With respect to the portion of the 2006 Allocation being assigned to the Issuer pursuant to the Resolution and the Assignment, the City has not: (a) issued private activity bonds, (b) assigned the allocation to another "issuing authority" as such term is defined in the Allocation Act; (c) made a mortgage credit certificate election; or (d) treated the allocation as an allocation for a project with a carryforward purpose.

6. No approval, permit, consent or authorization applicable to the City and not already obtained by the City of any government or public agency, authority or person is required in connection with the adoption of, the execution and delivery by the City of, and the performance by the City of its obligations under, the Resolution, the Assignment or the Delegation and Participation Agreement.

This opinion may be relied upon by: (a) the Issuer's Bond Counsel in rendering its opinion in connection with the issuance by the Issuer of revenue bonds; and (b) each institution which may act as an underwriter of any such revenue bonds.

The scope of our engagement as counsel to the City was limited to rendering the opinions set forth above. This opinion speaks only as of its date and is limited to the laws, regulations, rulings and judicial decisions in effect on such date.

Very truly yours,

HAYES, PHILLIPS, HOFFMANN & CARBERRY, P.C.