

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-55
Series of 2005

Series of 2005

A RESOLUTION AUTHORIZING THE ASSIGNMENT OF \$1,437,480.00 PRIVATE ACTIVITY BOND ALLOCATION FOR 2005 TO THE COLORADO HOUSING AND FINANCE AUTHORITY; PROVIDING OTHER DETAILS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to the Private Activity Bond Ceiling Act, constituting Title 24, Article 32, Part 17, Colorado Revised Statutes (the "Allocation Act"), City of Northglenn, Colorado (the "Assignor") has received a direct allocation of the State of Colorado's Private Activity Bond Ceiling (the "2005 Allocation"); and

WHEREAS, the Colorado Housing and Finance Authority (the "Authority") has requested that the Assignor assign a portion of the 2005 Allocation in the amount of \$1,437,480.00 (the "Assigned Allocation") to the Authority pursuant to Section 24-32-1706 of the Allocation Act for the purpose of assisting in the financing of properties located within the City of Northglenn, Colorado to the end that more adequate residential facilities for low- and middle-income families and persons may be provided; and

WHEREAS, the Assignor desires to assign the Assigned Allocation to the Authority; and

WHEREAS, there has been presented to the City Council (the "Council") the form of an Assignment of Allocation (the "Assignment").

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

Section 1. The Assignor hereby authorizes the assignment of the Assigned Allocation to the Authority for use as described above.

Section 2. The form, terms and provisions of the Assignment hereby are approved and the officers of the Assignor hereby are authorized and directed to execute and deliver the Assignment, with such changes therein as are approved by the officers of the Assignor executing the Assignment. The execution of the Assignment shall be conclusive evidence of the approval by the Assignor of such document in accordance with the terms hereof.

Section 3. The officers of the Assignor shall take such other steps or actions necessary or reasonably required to carry out the terms and intent of this Resolution and the Assignment.

Section 4. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such

section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. All action not inconsistent with the provisions of this Resolution heretofore taken by the Council and the officers of the Assignor directed toward the assignment of the Assigned Allocation and the authorization of the Assignment hereby are ratified, approved and confirmed.

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

PASSED, ADOPTED AND APPROVED this ____ day of _____, 2005.

KATHLEEN M. NOVAK
Mayor

ATTEST:

DIANA L. LENTZ, CMC
City Clerk

APPROVED AS TO FORM:

HERBERT C. PHILLIPS
City Attorney

ASSIGNMENT OF ALLOCATION

THIS ASSIGNMENT (the "Assignment") dated September 8, 2005, is between Northglenn, Colorado, a body corporate and politic (the "Assignor"), and the Colorado Housing and Finance Authority, a body corporate and political subdivision of the State of Colorado (the "Assignee").

RECITALS

A. The Assignee is authorized by the Colorado Housing and Finance Authority Act, constituting Part 7 of Article 4 of Title 29, Colorado Revised States, as amended (the "Act"), to finance properties located within the City of Northglenn, Colorado to the end that more adequate residential facilities for low- and middle-income families and persons may be provided (the "Project") and to issue bonds (the "Proposed Bonds") for such purpose.

B. The Assignee, pursuant to a resolution duly adopted by the City Council of the Assignee, declared its intention to take all steps necessary or advisable to effect the issuance of the Proposed Bonds for the financing of the Project.

C. The Assignee has requested that the Assignor assign to the Assignee \$1,437,480.00 of the Assignor's 2005 allocation under 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 (the "Code") as provided for the Assignor as a "designated local issuing authority" under part 17 of article 32 of title 24, Colorado Revised Statutes (the "Allocation Act"), for use in connection with the financing of the Project.

D. Subject to the terms and conditions set forth herein, the Assignor desires to assign to the Assignee, and the Assignee desires to accept, \$1,437,480.00 of the Assignor's 2005 allocation from the State Ceiling, which allocation the Assignor has committed and reserved for the Project.

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:

Section 7. The Assignor hereby assigns and transfers to the Assignee, the Assignor's 2005 allocation from the State Ceiling for private activity bonds in an amount equal to \$1,437,480.00, which shall be reserved for the purpose of issuing the Proposed Bonds to finance the Project. The Assignor and the Assignee understand that such assigned allocation shall automatically be relinquished to the "Statewide Balance" as defined under the Allocation Act unless (a) the Proposed Bonds are issued by the Assignee on or before September 15, 2005, or (b) Section 24-32-1706(3)(c) applies.

Section 8. The Assignor represents that it has received no monetary consideration for the assignment set forth above.

Section 9. The Assignee hereby:

Section 9.1. Accepts the assignment of \$1,437,480.00 of the Assignor's allocation from the State Ceiling described above;

Section 9.2. Agrees to abide by each of the terms and conditions of this Assignment in connection with the use of such allocation; and

Section 9.3. Agrees that the proceeds of any Proposed Bonds issued by the Authority by virtue of this assignment shall be used to finance properties located within the City of Northglenn, Colorado to the end that more adequate residential facilities for low- and middle-income families and persons may be provided.

Section 10. The Assignor hereby consents to the election by the Assignee, if the Assignee in its discretion so decides, to treat all or any portion of the assignment set forth herein as an allocation for a project with a carry forward purpose.

Section 11. This Assignment shall not constitute the debt or indebtedness or financial obligation of the Assignor within the meaning of the constitution or statutes of the State of Colorado nor give rise to a pecuniary liability or charge against the general credit or taxing power of the Assignor.

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.

NORTHGLENN, COLORADO,
as Assignor

By: KATHLEEN M. NOVAK
Its: Mayor

ATTEST:

DIANA L. LENTZ, CMC
Its: City Clerk

COLORADO HOUSING AND FINANCE
AUTHORITY, as Assignee

By: _____
Its: _____

ATTEST:

Its _____

**CERTIFICATE OF NORTHGLENN, COLORADO
CONCERNING ASSIGNMENT OF
PRIVATE ACTIVITY BOND VOLUME CAP ALLOCATION**

I, the undersigned, hereby certify that I am the duly chosen, qualified and acting mayor of City of Northglenn, Colorado (the "Assignor"), and that:

Section 12. The Assignor is a public body politic and corporate, duly organized and existing under the constitution and laws of the State of Colorado.

Section 13. The Assignor has been previously notified that, pursuant to Section 24-32-1706 of the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes (the "Allocation Act"), it has an allocation of a portion of the State ceiling (as defined in the Allocation Act) for 2005 in the amount of \$1,437,480.00.

Section 14. Attached hereto as Exhibit A is a true and correct copy of a resolution and the related minutes thereto (the "Resolution") authorizing the assignment to the Colorado Housing and Finance Authority (the "Authority") of such allocation of the 2005 State ceiling in the amount of \$1,437,480.00 (the "Assigned Allocation"), and authorizing the execution and delivery of an Assignment of Allocation dated as of September 8, 2005 (the "Assignment of Allocation") between the Assignor and the Authority in connection therewith, which Resolution was duly adopted by the City Council of the Assignor (the "Council") at a meeting thereof held on September 8, 2005, at which meeting a quorum was present and acting throughout and which Resolution has not been revoked, rescinded, repealed, amended or modified and is in full force and effect on the date hereof.

Section 15. The meeting of the Council at which action has been taken with respect to the Assignment of Allocation was a regular meeting properly called and open to the public at all times.

Section 16. With respect to the Assigned Allocation, the Assignor has not heretofore: (a) issued private activity bonds; (b) assigned the Assigned Allocation to another "issuing authority," as defined in the Allocation Act; (c) made a mortgage credit certificate election; or (d) treated the Assigned Allocation as an allocation for a project with a carry forward purpose, as defined in the Allocation Act.

Section 17. The Assignment of Allocation, attached hereto as Exhibit B, is in the form presented to and approved by the Council at the meeting thereof held on September 8, 2005.

Section 18. On or before the date hereof, the mayor of the Assignor officially executed counterparts of the Assignment of Allocation. On the date of such signing, such person was the duly sworn, qualified and acting officer of the Assignor authorized to execute the Assignment of Allocation and holding the office of the mayor.

Section 19. The Assignor has authorized the execution, delivery and due performance of the Assignment of Allocation, and the execution and delivery of the Assignment of Allocation and the compliance by the Assignor with the provisions thereof, will not, to the best of my knowledge, conflict with or constitute on the part of the Assignor a breach of or a default under

any existing Colorado law, City resolution, court or administrative regulation, decree or order or any agreement or other instrument to which the Assignor is subject or by which it is bound.

Section 20. To the best of my knowledge, there does not exist any action, suit, proceeding or investigation pending, or threatened against the Assignor, contesting (a) the corporate existence of the Assignor, (b) the title of its present officers or any of them to their respective offices, including, without limitation, the members of the Council, (c) the validity of the Assignment of Allocation or (d) the power of the Assignor to execute, deliver or perform the Assignment of Allocation.

Section 21. No referendum petition has been filed concerning the Resolution; and to the best of my knowledge none is being circulated or planned for circulation.

WITNESS my hand and the seal of the Assignor this ____ of _____, 2005.

KATHLEEN M. NOVAK
Mayor

DIANA L. LENTZ, CMC
City Clerk