

1 BY AUTHORITY

2 ORDINANCE NO. ____

COUNCIL BILL NO. CB10-0770

3 SERIES OF 2010

COMMITTEE OF REFERENCE:

4 Government Affairs & Finance

5
6 A BILL

7 **For an ordinance authorizing the issuance of City and County of**
8 **Denver, Colorado, General Obligation Better Denver Bonds, Series**
9 **2010D, for the purpose of financing and/or refinancing and defraying**
10 **the cost of acquiring, constructing, installing and improving various**
11 **civic facilities, together with all necessary, incidental or appurtenant**
12 **properties, facilities, equipment and costs; providing for the levy of**
13 **general ad valorem taxes to pay the principal of and interest on the**
14 **Series 2010D Bonds; authorizing the execution of certain**
15 **agreements and providing other details in connection therewith;**
16 **ratifying action previously taken relating thereto; providing other**
17 **matters relating thereto; and making other provisions relating**
18 **thereto.**

19
20 (1) WHEREAS, the City and County of Denver (the "City"), Colorado (the
21 "State"), is a municipal corporation duly organized and existing as a home rule city
22 under Article XX of the State Constitution and under the Charter of the City (the
23 "Charter") and is a political subdivision of the State; and

24 (2) WHEREAS, all legislative powers possessed by the City, conferred by
25 Article XX of the State Constitution, except as limited by the Charter, as from time to
26 time amended, or otherwise existing by operation of law are vested in a board of
27 councilmen, also known as the City Council (the "Council"); and

28 (3) WHEREAS, at the municipal election duly called and held in the City on
29 Tuesday, November 6, 2007 (the "2007 Election"), a majority of electors of the City
30 qualified to vote and voting thereon approved each of eight (8) separate ballot questions
31 (collectively, the "Ballot Questions") authorizing the City to issue general obligation

1 bonds in the aggregate principal amount of \$549,730,000 for the purposes of acquiring,
2 constructing, installing and improving various civic facilities for the City, including
3 (i) \$48,583,000 for health and human services system facilities, (ii) \$51,883,000 for
4 library system facilities, (iii) \$149,786,000 for streets, transportation and public works
5 system facilities, (iv) \$93,387,000 for park system facilities, (v) \$10,350,000 for deferred
6 maintenance for public office facilities, (vi) \$60,546,000 for deferred maintenance for
7 cultural facilities, (vii) \$70,000,000 for construction of cultural system facilities, and
8 (viii) \$65,195,000 for public safety system facilities (collectively, the “Better Denver
9 Project”), subject to the limitations specified in the Ballot Questions authorizing the
10 issuance of said bonds approved at the 2007 Election; and

11 (4) WHEREAS, the City has previously issued its City and County of Denver,
12 Colorado, General Obligation Better Denver and Zoo Bonds, Series 2009A (the “Series
13 2009A Bonds”) in the aggregate principal amount of \$104,500,000, and allocated
14 \$78,000,000 of the proceeds thereof to the Better Denver Project; and

15 (5) WHEREAS, the City has previously issued its City and County of Denver,
16 Colorado, Tax-Exempt General Obligation Better Denver Bonds, Series 2010A (the
17 “Series 2010A Bonds”) in the aggregate principal amount of \$37,910,000, and allocated
18 all of the proceeds thereof to the Better Denver Project; and

19 (6) WHEREAS, pursuant to the authority conferred at the 2007 Election, the
20 City has also previously issued certain General Obligation Commercial Paper Notes
21 (the “Commercial Paper Notes”) to provide temporary short-term financing for the Better
22 Denver Project in anticipation of the future issuance of general obligation bonds
23 authorized at the 2007 Election that would retire the Commercial Paper Notes; and

24 (7) WHEREAS, the City has previously issued its City and County of Denver,
25 Colorado, Taxable General Obligation Better Denver Bonds (Direct Pay Build America
26 Bonds), Series 2010B (the “Series 2010B Bonds”) in the aggregate principal amount of
27 \$312,055,000, and allocated all of the proceeds thereof to the Better Denver Project;
28 and

29 (8) WHEREAS, a portion of the Series 2010B Bonds were used to refinance
30 all of the outstanding Commercial Paper Notes; and

1 (9) WHEREAS, the City has previously authorized but not issued its City and
2 County of Denver, Colorado, Tax-Exempt General Obligation Refunding Bonds, Series
3 2010C (the “Series 2010C Bonds”); and

4 (10) WHEREAS, construction, acquisition and installation of the Better Denver
5 Project is consistent with and in furtherance of the Comprehensive Plan of the City; and

6 (11) WHEREAS, in order to finance a portion of the Better Denver Project, the
7 City desires to issue its City and County of Denver, Colorado, General Obligation Better
8 Denver Bonds, Series 2010D, dated their date of delivery (the “Series 2010D Bonds”)
9 as set forth herein; and

10 (12) WHEREAS, pursuant to Section 20-92 of the Revised Municipal Code of
11 the City (the “City Code”), the Manager of Finance, ex-officio Treasurer (the “Treasurer”)
12 has retained Piper Jaffray & Co. as financial advisor to assist the City and
13 communicated such retention in writing to the President of the Council, and the Clerk
14 and Recorder, ex officio Clerk (the “Clerk”), of the City has read such communication to
15 the Council; and

16 (13) WHEREAS, before undertaking any action that obligates or could obligate
17 the City financially with regard to the issuance of any of the Series 2010D Bonds, the
18 Treasurer has or will provide the written notification to the Council required pursuant to
19 Section 20-93 of the City Code, the Clerk has or will read such notification to the
20 Council at its next regularly scheduled meeting, and the Treasurer will not take any
21 action obligating the City to issue any of the Series 2010D Bonds until at least fifteen
22 (15) days after such reading relating to such Series 2010D Bonds; and

23 (14) WHEREAS, if the Mayor or the Treasurer determine that the Series 2010D
24 Bonds are to be sold by competitive sale, the Treasurer is to provide a notice of the sale
25 of such Series 2010D Bonds by such means as the Treasurer deems appropriate, and
26 the Treasurer shall determine the date and time that competitive bids for such Series
27 2010D Bonds are to be received and recorded by the Treasurer; and

28 (15) WHEREAS, if all or a portion of the Series 2010D Bonds are to be sold by
29 competitive sale, the Mayor or the Treasurer, following generally accepted procedures,
30 is to determine and accept or modify by negotiation the best binding bid received for

1 such Series 2010D Bonds and award such Series 2010D Bonds to the underwriter or
2 underwriters submitting such bid at the purchase price specified in such bid; and

3 (16) WHEREAS, if the Mayor or the Treasurer determine that all or a portion of
4 the Series 2010D Bonds are to be sold by negotiated sale, the City shall enter into a
5 bond purchase agreement with the underwriter or underwriters of such Series 2010D
6 Bonds; and

7 (17) WHEREAS, the Council has determined it is necessary and in the best
8 interests of the City that the City undertake the financing of the Better Denver Project
9 herein authorized and defray the costs thereof by issuing the Series 2010D Bonds and
10 does hereby declare:

11 A. The public interest, safety and welfare require the issuance of the
12 Series 2010D Bonds;

13 B. The Series 2010D Bonds shall be issued pursuant to the provisions
14 of this Ordinance, the Sale Certificate authorized hereby and, to the extent that any
15 Series 2010D Bonds are sold by competitive sale, by the provisions of the Notice of
16 Sale, and to the extent that any Series 2010D Bonds are sold by negotiated sale, by the
17 provisions of the Bond Purchase Agreement related thereto; and

18 C. All acts, conditions and things required by law to exist, to have
19 happened and to have been performed as a condition to the issuance of the Series
20 2010D Bonds do or will exist, have happened or will happen and have been or will be
21 performed in regular and due time, form and manner as required by law; and

22 (18) WHEREAS, prior to the enactment hereof, there will have been filed with
23 the Clerk the proposed forms of the following documents with respect to the Series
24 2010D Bonds:

25 A. Preliminary Official Statement relating to the Series 2010D Bonds
26 (the "Preliminary Official Statement") (Clerk File No. 10-964);

27 B. Notice of Public Sale with respect to the Series 2010D Bonds (the
28 "Notice of Sale"), (Clerk File No. 10-964-A);

29 C. Bond Purchase Agreement with respect to the Series 2010D Bonds
30 (the "Bond Purchase Agreement"), (Clerk File No. 10-964-B);

1 D. The Continuing Disclosure Undertaking executed by the City
2 relating to the Series 2010D Bonds (the “Continuing Disclosure Undertaking”), (Clerk
3 File No. 10-964-C); and

4 E. The Paying Agent, Registrar and Transfer Agent Agreement
5 between the City and Zions First National Bank, as Paying Agent, relating to the Series
6 2010D Bonds (the “Paying Agent Agreement”), (Clerk File No. 10-964-D).

7 NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY
8 AND COUNTY OF DENVER:

9 **Section 101. DEFINITIONS AND GENERAL PROVISIONS**

10 A. Definitions and Construction. The following terms shall have the following
11 meanings for all purposes of this Ordinance and of any ordinance or other instrument
12 amendatory hereof or supplemental hereto, except where previously defined or the
13 context by clear implication otherwise requires:

14 “Ballot Questions” has the meaning assigned in the recitals hereof.

15 “Beneficial Owners” means those Persons having beneficial ownership
16 interests in Bonds or registered in the name of the Securities Depository or a nominee
17 therefor.

18 “Better Denver Project” means, collectively, the projects approved by the
19 electors of the City at the 2007 Election including (i) health and human services system
20 facilities, (ii) library system facilities, (iii) streets, transportation and public works system
21 facilities, (iv) park system facilities, (v) deferred maintenance for public office facilities,
22 (vi) deferred maintenance for cultural facilities, (vii) construction of cultural system
23 facilities and (viii) public safety system facilities, together with all necessary, incidental
24 or appurtenant properties, facilities, equipment and costs.

25 “Bond Purchase Agreement” means, to the extent that all or a portion of
26 the Series 2010D Bonds are sold by negotiated sale, the Bond Purchase Agreement
27 between the City and the Underwriter or Underwriters relating to the sale of such Series
28 2010D Bonds.

29 “Business Day” means any day other than a Saturday, Sunday, legal
30 holiday or any other day on which the office of the Paying Agent, the Registrar or the
31 Transfer Agent is authorized or required by law to remain closed.

1 “Charter” means the home rule charter of the City, as amended from time
2 to time.

3 “City” means the City and County of Denver, Colorado.

4 “City Code” means the Revised Municipal Code of the City, as amended
5 from time to time.

6 “Clerk” means the Clerk and Recorder, ex-officio Clerk, of the City.

7 “Commercial Paper Notes” has the meaning assigned in the recitals
8 hereof.

9 “Continuing Disclosure Undertaking” means the Continuing Disclosure
10 Undertaking executed by the City relating to the Series 2010D Bonds.

11 “Council” means the City Council of the City.

12 “Debt Service Requirements” means, for any period, the principal of and
13 interest on any designated bonds or other obligations.

14 “Federal Securities” means only bills, certificates of indebtedness, notes or
15 bonds which are direct obligations of, or the principal and interest of which obligations
16 are unconditionally guaranteed by the United States of America, which are non-callable
17 and mature prior to the date on which the proceeds thereof are needed to pay the Debt
18 Service Requirements.

19 “Fiscal Year” means the City's fiscal year, which commences on January 1
20 of any calendar year and ends on December 31 of the same calendar year.

21 “Independent Accountant” means any certified public accountant, or any
22 firm of such accountants, within the meaning of Section 12-2-115, Colorado Revised
23 Statutes, as amended, licensed to practice under the laws of the State, independent of
24 the City and not an officer or employee of the City but that may be regularly retained to
25 make annual or similar audits of any books or records of the City.

26 “Insured Bank” means a state or national bank or trust company whose
27 deposits are insured by the Federal Deposit Insurance Corporation and that is a
28 member of the Federal Reserve System, is located within the United States and that
29 has a shareholders' equity (i.e., capital stock, surplus and undivided profits), however
30 denominated, of \$50,000,000 or more, or such lesser amount as may be approved by
31 the Treasurer.

1 “Interest Payment Date” means a date designated for the payment of
2 interest on the Series 2010D Bonds or any other designated securities.

3 “Maturity Date” means a date designated for the payment of principal of
4 the Series 2010D Bonds or any other designated securities at maturity.

5 “Mayor” means the Mayor of the City.

6 “Notice of Sale” means the Notice of Public Sale prepared and distributed
7 to prospective purchasers of the Series 2010D Bonds, to the extent that the Series
8 2010D Bonds are sold by competitive sale.

9 “Official Statement” means the Official Statement relating to the Series
10 2010D Bonds.

11 “Ordinance” means this Ordinance.

12 “Outstanding” when used with reference to the Series 2010D Bonds as of
13 any particular date, means all the Series 2010D Bonds theretofore duly issued except:
14 any Series 2010D Bond canceled by or on behalf of the City at or before such date; any
15 2010D Bond deemed to have been paid within the meaning of Section 501 hereof; and
16 any 2010D Bond in lieu of or in substitution for which another 2010D Bond shall have
17 been executed and delivered pursuant to Section 309 hereof.

18 “Owner” means the registered owner of any 2010D Bond.

19 “Participants” means participating underwriters, securities brokers or
20 dealers, banks, trust companies, closing corporations or other persons or entities for
21 which the Securities Depository holds Series 2010D Bonds.

22 “Paying Agent” means Zions First National Bank, a national banking
23 association, or such successor paying agent, as shall be appointed hereunder.

24 “Paying Agent Agreement” means the Paying Agent Registrar and
25 Transfer Agent Agreement between the City and the Paying Agent, relating to the
26 Series 2010D Bonds.

27 “Permitted Investments” means such investments or reinvestments as are
28 permitted and authorized to be made by the Treasurer pursuant to the Charter and the
29 City's investment policy.

30 “Person” means a natural person, firm, association, partnership,
31 corporation, limited liability company or public body.

1 “Preliminary Official Statement” means the Preliminary Official Statement
2 relating to the Series 2010D Bonds.

3 “Record Date” means the 15th day (whether or not a Business Day) of the
4 calendar month next preceding each regularly scheduled interest payment date for the
5 Series 2010D Bonds.

6 “Redemption Date” means the date fixed for redemption prior to maturity
7 of the Series 2010D Bonds in any notice of prior redemption given by or on behalf of the
8 City.

9 “Registrar” means Zions First National Bank, a national banking
10 association, or such successor registrar as shall be appointed hereunder.

11 “Sale Certificate” means a certificate executed by the Mayor or the
12 Treasurer of the City on or before the date of delivery of the Series 2010D Bonds setting
13 forth the determinations that may be delegated to such officials pursuant to Section 11-
14 57-205(1) of the Supplemental Act and also setting forth the determinations that have
15 been delegated to such officials pursuant to the Charter and Section 302 hereof.

16 “Securities Depository” means The Depository Trust Company, New
17 York, New York, hereby designated as the depository for the Series 2010D Bonds, and
18 includes any nominee or successor thereof.

19 “Series 2010D Bond Proceeds Fund” means the “City and County of
20 Denver, Colorado, General Obligation Better Denver Bonds, Series 2010D, Bond
21 Proceeds Fund” created in Section 402 hereof.

22 “Series 2010D Bonds” means the “City and County of Denver, Colorado,
23 General Obligation Better Denver Bonds, Series 2010D” issued in the aggregate
24 principal amount set forth in the Sale Certificate.

25 “Series 2010D Rebate Account” means the account by such name created
26 in Section 403 hereof.

27 “Special Record Date” means a special date fixed to determine the names
28 and addresses of Owners of the Series 2010D Bonds for purposes of paying principal or
29 interest not paid when due or interest accruing after maturity.

30 “State” means the State of Colorado.

1 “Supplemental Act” means the Supplemental Public Securities Act,
2 constituting Title 11, Article 57, Part 2, Colorado Revised Statutes, as amended.

3 “2007 Election” means the municipal election held in the City on
4 November 6, 2007.

5 “Tax Code” means the Internal Revenue Code of 1986, as amended, and
6 all regulations and rulings promulgated thereunder.

7 “Term Bonds” means Series 2010D Bonds that are payable on or before
8 their specified maturity from sinking fund payments established for that purpose and
9 calculated to retire such Series 2010D Bonds on or before their specified maturity dates,
10 as set forth in the Sale Certificate.

11 “Transfer Agent” means Zions First National Bank, a national banking
12 association, or such successor transfer agent as shall be appointed hereunder.

13 “Treasurer” means the City's Manager of Finance, ex-officio Treasurer, or
14 the Treasurer's successor in functions, if any.

15 “Underwriter or Underwriters” means the underwriter or underwriters of the
16 Series 2010D Bonds as designated in the Sale Certificate.

17 B. Construction. This Ordinance shall be construed as follows:

18 a. The captions herein are for convenience only and in no way define,
19 limit or describe the scope or intent of any provision hereof.

20 b. Any Series 2010D Bonds held by the City shall not be deemed to
21 be Outstanding for the purpose of redemption or of consents hereunder.

22 c. Any inconsistency between the provisions of this Ordinance and
23 those of any applicable State statutes is intended by the Council. To the extent of any
24 such inconsistency, the provisions of this Ordinance shall be deemed made pursuant to
25 the Charter and shall supersede to the extent permitted by law the conflicting provisions
26 of said statutes.

27 **Section 102. Successors.** All of the covenants, stipulations, obligations,
28 and agreements by or on behalf of and other provisions for the benefit of the City
29 contained herein shall bind and inure to the benefit of any successors of the City and
30 shall bind and inure to the benefit of any officer, board, district, commission, authority,
31 agent, or instrumentality to whom or to which there shall be transferred by or in

1 accordance with law any right, power, or duty of the City or of their respective
2 successors, if any, the possession of which is necessary or appropriate in order to
3 comply with any such covenants, stipulations, obligations, agreements or other
4 provisions hereof.

5 **Section 103. Parties Interested Herein.** Except as herein otherwise
6 expressly provided, nothing herein is intended or shall be construed to confer upon or to
7 give to any Person, other than the City, the Paying Agent, the Registrar, the Transfer
8 Agent and the Owners from time to time of the Series 2010D Bonds, any right, remedy,
9 or claim hereunder. All the covenants, stipulations, promises and agreements herein
10 contained by and on behalf of the City shall be for the sole and exclusive benefit of the
11 City, the Paying Agent, the Registrar, the Transfer Agent and the Owners of the Series
12 2010D Bonds.

13 **Section 104. Ratification.** All action heretofore taken (not inconsistent
14 with the provisions of this Ordinance) by the officers and employees of the City in
15 respect of the sale and delivery of the Series 2010D Bonds for that purpose is hereby
16 ratified, approved, and confirmed, including, without limitation, the preparation and
17 distribution of the Preliminary Official Statement.

18 **Section 105. Ordinance Irrepealable.** In consideration of the purchase
19 and acceptance of any Series 2010D Bonds by those who own the same from time to
20 time, this Ordinance shall constitute an irrevocable contract between the City and the
21 Owners of the Series 2010D Bonds; and this Ordinance shall be and remain
22 irrepealable until the Series 2010D Bonds shall be fully paid, canceled or discharged, as
23 herein provided.

24 **Section 106. Severability.** If any provision of this Ordinance shall be held
25 invalid or unenforceable, such holding shall not affect any other provisions hereof.

26 **Section 107. Effective Date.** This Ordinance shall become effective
27 immediately upon its final passage and publication, as provided by the Charter.

28 **Section 108. Publication.** The bill for this Ordinance is hereby authorized
29 and directed to be published as provided in the Charter.

30 **Section 109. Recordation and Authentication.** This Ordinance shall be
31 recorded after its passage in a Book of Ordinances of the City, kept for that purpose,

1 and authenticated by the signature of the Mayor and attested and countersigned by the
2 Clerk.

3
4 **ARTICLE II**

5 **COUNCIL'S DETERMINATIONS, NECESSITY OF BETTER DENVER PROJECT,**
6 **SERIES 2010D BONDS, AND OBLIGATIONS OF THE CITY**

7 **Section 201. Authority for Ordinance.** This Ordinance is adopted
8 pursuant to the City's powers as a home rule city organized and operating under the
9 Charter and Article XX of the State Constitution and pursuant to the Supplemental Act
10 (as limited herein), the provisions of which are hereby elected; and the City hereby
11 determines that each and every matter and thing as to which provision is made herein is
12 necessary in order to carry out and to effect the purposes hereof.

13 **Section 202. Authorization of Better Denver Project.** The City hereby
14 authorizes the continuing acquisition, construction, installation and improvement of the
15 Better Denver Project.

16 **Section 203. Validity of Bonds.** The validity of the Series 2010D Bonds
17 shall not be dependent on or be affected by the validity or regularity of any actions or
18 proceedings relating to the Projects or any part thereof.

19 **Section 204. Bonds Equally Secured.** The covenants and agreements
20 herein set forth to be performed by or on behalf of the City shall be for the equal benefit,
21 protection and security of the Owners of any and all of the Outstanding Series 2010D
22 Bonds, except as otherwise expressly provided in or pursuant to this Ordinance.

23 **Section 205. Approval, Authorization and Amendments.**

24 A. The Continuing Disclosure Undertaking, the Paying Agent Agreement and
25 the Bond Purchase Agreement are hereby approved in substantially the form filed with
26 the Clerk, provided that such documents may be completed, corrected or revised as
27 deemed necessary by the parties thereto in order to carry out the purposes of this
28 Ordinance and comply with the terms of the Sale Certificate.

29 B. The Notice of Sale is hereby approved in substantially the form filed with
30 the Clerk, provided that such Notice of Sale may be completed, corrected or revised as
31 deemed necessary by the Treasurer or the City's Co-Bond Counsel in order to carry out

1 the purposes of this Ordinance. If Series 2010D Bonds are to be sold by competitive
2 sale, the Treasurer is hereby authorized and directed to cause the Notice of Sale to be
3 distributed to prospective bidders on such Series 2010D Bonds.

4 C. The printing, distribution and use of the Preliminary Official Statement in
5 substantially the form on file with the Clerk is hereby approved, with such amendments,
6 additions and deletions as are in accordance with the facts and not inconsistent
7 herewith. The Treasurer is authorized to prepare or cause to be prepared, and the
8 Mayor and the Treasurer are authorized and directed to approve, on behalf of the City,
9 and execute a final Official Statement for use in connection with the offering and sale of
10 the Series 2010D Bonds in substantially the form of the Preliminary Official Statement,
11 but with such amendments, additions and deletions as are in accordance with the facts
12 and not inconsistent herewith. The execution of a final Official Statement by the Mayor
13 and the Treasurer shall be conclusively deemed to evidence the approval of the form
14 and contents thereof by the City.

15 D. The Mayor, the Auditor of the City, the Clerk, the Manager of Finance, ex-
16 officio Treasurer, and other officers and employees of the City are hereby independently
17 authorized and directed to take all action necessary or appropriate to effect the
18 provisions of this Ordinance, including without limiting the generality of the foregoing,
19 executing, attesting, authenticating and delivering for and on behalf of the City the
20 Series 2010D Bonds and such other agreements, instruments, certificates and opinions
21 as may be required to implement the transactions contemplated hereby, or as may
22 otherwise be reasonably required by Co-Bond Counsel or the Underwriters, and the
23 taking of such other action in cooperation with Co-Bond Counsel or the Underwriters as
24 they may reasonably request to qualify the Series 2010D Bonds for offer and sale under
25 the securities laws and regulations of such states and other jurisdictions of the United
26 States as the Underwriters may designate.

27 E. The execution of any document or instrument by the appropriate officers
28 of the City herein authorized shall be conclusive evidence of the approval by the City of
29 such document or instrument in accordance with the terms hereof.

30

1 **Section 303. Bond Details; Parameters.** The Series 2010D Bonds shall

2 be issued in fully registered form and shall initially be registered in the name of Cede &
3 Co., as nominee for the Securities Depository. Purchases by Beneficial Owners of the
4 Series 2010D Bonds shall be made in book-entry form in the denominations of \$5,000
5 or any integral multiple thereof. The Beneficial Owners of the Series 2010D Bonds shall
6 not receive certificates evidencing their interests in the Series 2010D Bonds. No Series
7 2010D Bond shall be issued in any denomination larger than the aggregate principal
8 amount maturing on the Maturity Date of such Series 2010D Bond, and no Series
9 2010D Bond shall be made payable on more than one Maturity Date.

10 Pursuant to the recommendations of the Committee on Uniform Security
11 Identification Procedures, CUSIP numbers may be printed on the Series 2010D Bonds.

12 The Series 2010D Bonds shall be dated their date of delivery, mature, be
13 payable, bear interest payable to the Owners of the Series 2010D Bonds from their date
14 to maturity or prior redemption, be sold, and comply with the terms and limitations of the
15 applicable Ballot Questions, all as provided in the Sale Certificate; provided that:

16 (i) the Series 2010D Bonds shall mature no later than August 1, 2030;

17 (ii) the net effective interest rate of the Series 2010D Bonds shall not
18 exceed 5.0%;

19 (iii) the aggregate principal amount of the Series 2010D Bonds shall not
20 exceed \$50,000,000;

21 (iv) the maximum annual and total repayment cost of the Series 2010D
22 Bonds, when combined with the maximum annual and total repayment cost of the
23 Series 2009A Bonds, the Series 2010A Bonds, the Series 2010B Bonds and the
24 Commercial Paper Notes previously issued by the City pursuant to the 2007 Election,
25 shall not exceed the amounts authorized in each applicable Ballot Question and in the
26 notice of election sent to the voters in connection with the 2007 Election;

27 (v) the net purchase price of the Series 2010D Bonds shall not be less
28 than 100% of the original principal amount of the Series 2010D Bonds; and

29 (vi) if the Series 2010D Bonds are subject to optional redemption, the
30 redemption premium shall not exceed 3% as required by the Ballot Questions
31 authorized at the 2007 Election.

1 Interest on the Series 2010D Bonds shall be calculated on the basis of a
2 360-day year of twelve 30-day months, payable semiannually on February 1 and August
3 1, commencing on the date or dates set forth in the Sale Certificate.

4 If the principal of or interest on any Series 2010D Bond is not paid as
5 provided herein, interest shall be payable on such unpaid principal or interest at the
6 interest rate specified in the Bond until such unpaid principal or interest is paid in full.

7 The principal of, interest on and any premium due in connection with the
8 redemption of the Series 2010D Bonds shall be payable in lawful money of the United
9 States of America to the registered Owners of the Series 2010D Bonds by the Paying
10 Agent. The principal and the final installment of interest shall be payable to the Owner
11 of each Bond upon presentation and surrender thereof at maturity or upon prior
12 redemption by check or draft sent to the Owner at the address appearing on the
13 registration books of the City maintained by the Registrar or by wire transfer to such
14 bank or other depository as the Owner shall designate in writing to the Paying Agent.
15 Except as hereinbefore and hereinafter provided, the interest shall be payable to the
16 Owner of each Bond determined as of the close of business on the Record Date
17 irrespective of any transfer of ownership of the Bond subsequent to the Record Date
18 and prior to such Interest Payment Date by check or draft or wire transfer directed to
19 such Owner as aforesaid. Any principal or interest not paid when due and any interest
20 accruing after maturity shall be payable to the Owner of each Bond entitled to receive
21 such principal or interest determined as of the close of business on the Special Record
22 Date, irrespective of any transfer of ownership of the Bond subsequent to the Special
23 Record Date and prior to the date fixed by the Paying Agent for the payment of such
24 principal or interest, by check or draft or wire transfer directed to such Owner as
25 aforesaid. Notice of the Special Record Date and of the date fixed for the payment of
26 such interest shall be given by sending a copy thereof by first-class postage prepaid
27 mail at least fifteen (15) days prior to the Special Record Date to the Owner of each
28 Bond upon which principal or interest will be paid determined as of the close of business
29 on the day preceding such mailing at the address appearing on the registration books of
30 the City. Any premium shall be payable to the Owner of each Series 2010D Bond being
31 redeemed upon presentation and surrender thereof upon prior redemption by check or

1 draft or wire transfer directed to such Owner as aforesaid. So long as the Owner of any
2 Series 2010D Bond is the Securities Depository or a nominee therefor, the Securities
3 Depository shall disburse any payments received, through Participants or otherwise, to
4 the Beneficial Owners. If the date for making any payment or giving any notice is not a
5 Business Day, such payment or notice shall be made or given on the next succeeding
6 Business Day.

7 So long as the registered owner of any Series 2010D Bond is the
8 Securities Depository or a nominee therefor, the Securities Depository shall disburse
9 any payments received, through participating underwriters, securities brokers or
10 dealers, banks, trust companies, closing corporations or other persons or entities for
11 which the Securities Depository holds Bonds or otherwise, to the Beneficial Owner or
12 Owners thereof.

13 Neither the City nor the Paying Agent shall have any responsibility or
14 obligation for the payment to any Participant, any Beneficial Owner or any other Person
15 (except an Owner of Bonds) of the principal of, interest on or any premium due on the
16 Series 2010D Bonds.

17 Notwithstanding the foregoing provisions or any other provisions of this
18 Ordinance to the contrary, so long as the Series 2010D Bonds are held in book-entry
19 form, the payment, registration, exchange, transfer and redemption provisions of the
20 Series 2010D Bonds shall conform to the requirements of the Securities Depository.

21 **Section 304. Prior Redemption.** The Series 2010D Bonds shall
22 be subject to redemption prior to their respective Maturity Dates as set forth in the Sale
23 Certificate.

24 The Series 2010D Bonds may also be subject to mandatory sinking fund
25 redemption if so determined in the Sale Certificate.

26 Series 2010D Bonds that are redeemable prior to their respective Maturity
27 Dates may be redeemed in part if issued in denominations that are integral multiples of
28 \$5,000. In such case the Series 2010D Bond shall be surrendered in the manner
29 provided for transfers of ownership. Upon payment of the redemption price the Owner
30 shall receive a new Series 2010D Bond or Series 2010D Bonds of authorized
31 denominations in aggregate principal amount equal to the unredeemed portion of the

1 Series 2010D Bond surrendered. Such Series 2010D Bonds shall be treated as
2 representing a corresponding number of separate Series 2010D Bonds in the
3 denomination of \$5,000 each.

4 **Section 305. Notice of Redemption.** Unless waived by the Owners of
5 any Series 2010D Bonds to be redeemed, notice of redemption shall be given by the
6 Paying Agent in the name of the City by sending a copy thereof by first-class postage
7 prepaid mail, or by using such other method required by the Securities Depository, not
8 less than thirty (30) days or more than sixty (60) days prior to the Redemption Date to
9 the Owner of each of the Series 2010D Bonds being redeemed determined as of the
10 close of business on the day preceding the first mailing of such notice at the address
11 appearing on the registration books of the City. Such notice shall specify: (i) the
12 number or numbers of the Series 2010D Bonds to be redeemed, whether in whole or in
13 part; (ii) the principal amounts thereof; (iii) the CUSIP numbers of the Series 2010D
14 Bonds to be redeemed; (iv) the date the Series 2010D Bonds were originally issued;
15 (v) the rate of interest borne by each Series 2010D Bond to be redeemed; (vi) the
16 maturity date of each Series 2010D Bond to be redeemed; (vii) the date fixed for
17 redemption; (viii) that on the Redemption Date there will be due and payable upon each
18 Series 2010D Bond or part thereof so to be redeemed at the office of the Paying Agent
19 the principal amount or part thereof plus accrued interest thereon to the Redemption
20 Date and that from and after such date interest will cease to accrue; and, (ix) any other
21 descriptive information determined by the Paying Agent or the Treasurer to be
22 necessary to identify accurately the Series 2010D Bonds being redeemed. In addition,
23 the Paying Agent is hereby authorized and directed to give such other or further notice
24 as may be required by law and to comply with any operational procedures and
25 requirements of the Securities Depository relating to redemption of bonds and notice
26 thereof. Each such notice of redemption shall be sent at least thirty (30) days before
27 the Redemption Date by first class mail or overnight delivery service or by electronic
28 submission to the Securities Depository. Failure to send any notice as aforesaid or any
29 defect in any notice so sent with respect to any Series 2010D Bond shall not affect the
30 validity of the redemption proceedings with respect to any other Series 2010D Bond.

1 On or prior to the Redemption Date, the City shall deposit with the Paying
2 Agent sufficient funds to redeem any Series 2010D Bonds called for prior redemption on
3 the Redemption Date. Upon such deposit, the Series 2010D Bonds or portions thereof
4 to be redeemed shall be due and payable on the Redemption Date, and on the
5 Redemption Date interest shall cease to accrue thereon. Any Series 2010D Bonds
6 redeemed prior to their respective Maturity Dates by call for prior redemption or
7 otherwise shall not be reissued and shall be canceled the same as Bonds paid at or
8 after maturity.

9 Notwithstanding the provisions of this section, any notice of redemption
10 may contain a statement that the redemption is conditioned upon the receipt by the
11 Paying Agent of funds on or before the date fixed for redemption sufficient to pay the
12 redemption price of the Series 2010D Bonds called for redemption, and that if such
13 funds are not available, such redemption shall be cancelled by written notice to the
14 Owners of such Series 2010D Bonds called for redemption in the same manner as the
15 original redemption notice was sent.

16 **Section 306. Negotiability.** Subject to the registration and payment
17 provisions herein provided, the Series 2010D Bonds shall be fully negotiable within the
18 meaning of and for the purposes of the Uniform Commercial Code -- Investment
19 Securities, and each Owner shall possess all rights enjoyed by holders of negotiable
20 instruments under the Uniform Commercial Code -- Investment Securities.

21 **Section 307. Execution and Authentication of Bonds.** The Series
22 2010D Bonds shall be executed in the name and on behalf of the City with the manual
23 or facsimile signature of the Mayor, shall be sealed with the manual or facsimile
24 impression of the seal of the City and attested with the manual or facsimile signature of
25 the Clerk and shall be registered and countersigned with the manual or facsimile
26 signature of the Auditor of the City. Each Series 2010D Bond shall be authenticated
27 with the manual signature of the Registrar. The Series 2010D Bonds bearing the
28 manual or facsimile signatures of the officers in office at the time of the authorization
29 thereof shall be the valid and binding obligations of the City, subject to the requirement
30 of authentication by the Registrar, notwithstanding that before the delivery thereof and
31 payment therefor or before the transfer or exchange thereof any or all of the Persons

1 whose manual or facsimile signatures appear thereon shall have ceased to fill their
2 respective offices. No Series 2010D Bond shall be valid or obligatory for any purpose
3 or be entitled to any security or benefit under this Ordinance unless the certificate of
4 authentication on such Series 2010D Bond shall have been duly executed by the
5 Registrar, and such executed certificate upon any such Series 2010D Bond shall be
6 conclusive evidence that such Series 2010D Bond has been authenticated and
7 delivered under this Ordinance.

8 **Section 308. Registration, Transfer and Exchange of Bonds.** Upon
9 their execution and authentication and prior to their delivery, the Series 2010D Bonds
10 shall be registered for the purpose of payment of principal and interest with the
11 Registrar.

12 Neither the City nor the Registrar shall have any responsibility or
13 obligation with respect to the accuracy of the records of the Securities Depository or a
14 nominee therefor or any Participant with respect to any ownership interest in the Series
15 2010D Bonds or the delivery to any Participant, Beneficial Owner or any other person of
16 any notice with respect to the Series 2010D Bonds.

17 The Series 2010D Bonds shall be transferable only upon the registration
18 books of the City by the Transfer Agent, at the request of the Owner thereof or his, her
19 or its duly authorized attorney-in-fact or legal representative. A Series 2010D Bond may
20 be transferred upon surrender thereof together with a written instrument of transfer duly
21 executed by the Owner or his, her or its duly authorized attorney-in-fact or legal
22 representative with guaranty of signature satisfactory to the Transfer Agent, containing
23 written instructions as to the details of the transfer, along with the social security number
24 or federal employer identification number of the transferee and, if the transferee is a
25 trust, the names and social security numbers of the settlors and beneficiaries of the
26 trust. The Transfer Agent shall not be required to transfer ownership of any Series
27 2010D Bond during the fifteen (15) days prior to the first mailing of any notice of
28 redemption for any Series 2010D Bond or to transfer ownership of any Series 2010D
29 Bond selected for redemption on or after the date of such mailing. The Owner of any
30 Series 2010D Bond or Series 2010D Bonds may also exchange such Series 2010D
31 Bond or Series 2010D Bonds for another Series 2010D Bond or Series 2010D Bonds of

1 authorized denominations. Transfers and exchanges shall be made without charge,
2 except that the Transfer Agent may require payment of a sum sufficient to defray any
3 tax or other governmental charge that may hereafter be imposed in connection with any
4 transfer or exchange of Series 2010D Bonds. No transfer of any Series 2010D Bond
5 shall be effective until entered on the registration books of the City. In the case of every
6 transfer or exchange, the Registrar shall authenticate and the Transfer Agent shall
7 deliver to the new Owner a new Bond or Bonds of the same aggregate principal amount
8 maturing in the same year and bearing interest at the same per annum rate as the Bond
9 or Bonds surrendered. Such Series 2010D Bonds shall be dated as of their date of
10 authentication. New Series 2010D Bonds delivered upon any transfer or exchange
11 shall be valid obligations of the City, evidencing the same obligations as the Series
12 2010D Bonds surrendered, shall be secured by this Ordinance, and shall be entitled to
13 all of the security and benefits hereof to the same extent as the Series 2010D Bonds
14 surrendered. The City may deem and treat the Person in whose name any Series
15 2010D Bond is last registered upon the books of the City as the absolute Owner thereof
16 for the purpose of receiving payment of the principal of, interest on and any premium
17 due in connection with such Series 2010D Bond and for all other purposes, and all such
18 payments so made to such Person or upon his, her or its order shall be valid and
19 effective to satisfy and discharge the liability of the City upon such Series 2010D Bond
20 to the extent of the sum or sums so paid, and the City shall not be affected by any
21 notice to the contrary.

22 Neither the City nor the Transfer Agent shall have any responsibility or
23 obligation with respect to the accuracy of the records of the Securities Depository or its
24 Participants regarding any ownership interest in the Series 2010D Bonds or transfers
25 thereof.

26 The City may remove the Securities Depository and the Securities
27 Depository may resign by giving sixty (60) days' written notice to the other of such
28 removal or resignation. Additionally, the Securities Depository shall be removed sixty
29 (60) days after receipt by the City of written notice from the Securities Depository to the
30 effect that the Securities Depository has received written notice from Participants having
31 interests, as shown in the records of the Securities Depository, in an aggregate principal

1 amount of not less than 50% of the aggregate principal amount of the then outstanding
2 Bonds to the effect that the Securities Depository is unable or unwilling to discharge its
3 responsibilities or a continuation of the requirement that all of the outstanding Bonds be
4 registered in the name of the Securities Depository or a nominee therefor is not in the
5 best interests of the Beneficial Owners. Upon the removal or resignation of the
6 Securities Depository, the Securities Depository shall take such action as may be
7 necessary to assure the orderly transfer of the computerized book-entry system with
8 respect to the Series 2010D Bonds to a successor securities depository or if no
9 successor securities depository is appointed as herein provided, the transfer of the
10 Series 2010D Bonds in certificate form to the Beneficial Owners or their designees.
11 Upon the giving of notice by the City of the removal of the Securities Depository, the
12 giving of notice by the Securities Depository of its resignation or the receipt by the City
13 of notice with respect to the written notice of Participants referred to herein, the City
14 may, within sixty (60) days after the giving of such notice, appoint a successor securities
15 depository upon such terms and conditions as the City shall impose. Any such
16 successor securities depository shall at all times be a registered clearing agency under
17 the Securities and Exchange Act of 1934, as amended, or other applicable statute or
18 regulation, and in good standing thereunder. If the City fails to appoint a successor
19 securities depository within such time period, the Series 2010D Bonds shall no longer
20 be restricted to be registered in the name of the Securities Depository or a nominee
21 therefor, but may be registered in whatever name or names Owners transferring or
22 exchanging Series 2010D Bonds shall designate.

23 **Section 309. Lost or Stolen Bonds.** If any Series 2010D Bond shall be
24 lost, stolen, destroyed or mutilated, the Transfer Agent shall, upon receipt of such
25 evidence, information, indemnity and reimbursement for expenses relating thereto as it
26 and the City may reasonably require, authenticate and deliver a replacement Series
27 2010D Bond or Series 2010D Bonds of the same aggregate principal amount, interest
28 rate and Maturity Date, bearing a number or numbers not previously assigned. If such
29 lost, stolen, destroyed or mutilated Bond shall have become due and payable or is
30 about to become due and payable, the Paying Agent may pay such Series 2010D Bond
31 in lieu of replacement.

1 **Section 310. Delivery and Cancellation of Bonds.** The officers of the

2 City are authorized to deliver to the Registrar fully executed unauthenticated Series
3 2010D Bonds in such quantities as may be convenient to be held in custody by the
4 Registrar pending use as herein provided.

5 Whenever any Series 2010D Bond shall be surrendered to the Paying
6 Agent upon payment thereof or to the Transfer Agent for the transfer, exchange or
7 replacement as provided herein, such Series 2010D Bond shall be promptly canceled
8 by the Paying Agent or Transfer Agent, which cancellation shall be reported to the
9 Council and certified by the Auditor to the Mayor pursuant to the Charter.

10 **Section 311. Form of Bonds.** Subject to the provisions of this Ordinance

11 and the Sale Certificate, the Series 2010D Bonds shall be in substantially the following
12 form, with such omissions, insertions, endorsements and variations as may be required
13 by the circumstances and as shall be consistent with this Ordinance and the Sale
14 Certificate.

15 Each Series 2010D Bond shall recite in substance that the Series 2010D
16 Bond is issued by the City under the authority of the State Constitution, the Charter, the
17 City Code, the Supplemental Act, the 2007 Election and this Ordinance.

18

[Form of Series 2010D Bond]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF COLORADO

CITY AND COUNTY OF DENVER, COLORADO
GENERAL OBLIGATION
BETTER DENVER BOND
SERIES 2010D

No. R- _____ \$ _____

INTEREST RATE MATURITY DATE ORIGINAL DATE CUSIP
_____ % August 1, _____ _____, 2010 _____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: _____ Thousand Dollars

The City and County of Denver, Colorado, for value received, hereby promises to pay to the Registered Owner (specified above) or registered assigns, the

1 Principal Amount (specified above) in lawful money of the United States of America, on
2 the Maturity Date (specified above) with interest thereon from the Original Date
3 (specified above) or the interest payment date to which interest has been paid next
4 preceding the date hereof, whichever is later, to the Maturity Date, except if redeemed
5 prior thereto, at the per annum Interest Rate (specified above), based upon the actual
6 number of days elapsed in a month of thirty (30) days and a year of three hundred sixty
7 (360) days, payable semiannually on the first day of February and the first day of
8 August of each year commencing on February 1, 2011, or the first such day after the
9 date hereof whichever is later, in the manner provided herein. If upon presentation at
10 maturity payment of the Principal Amount of this Bond is not made as provided herein,
11 interest is to continue at the Interest Rate until the Principal Amount is paid in full.

12 [Include Redemption Provisions from Sale Certificate]

13 Bonds that are redeemable prior to their respective maturity dates may be
14 redeemed in part if issued in denominations that are integral multiples of \$5,000. In
15 such case the Bond is to be surrendered in the manner provided for transfers of
16 ownership. Upon payment of the redemption price the Registered Owner is to receive a
17 new Bond or Bonds of authorized denominations in aggregate principal amount equal to
18 the unredeemed portion of the Bond surrendered.

19 This Bond is one of an authorized series of Bonds (the "Bonds") issued
20 pursuant to an Ordinance adopted by the City Council of the City (the "Ordinance").
21 This Bond bears interest, matures, is payable, and is transferable as provided in the
22 Ordinance and a Sale Certificate executed by either the Mayor or the Manager of
23 Finance, ex officio Treasurer of the City prior to the delivery of the Bonds. To the extent
24 not defined herein, terms used herein are used as defined in the Ordinance. Reference
25 is made to the Ordinance and to all ordinances supplemental thereto, with respect to the
26 nature and extent of the security for the Bonds, rights, duties and obligations of the City,
27 the rights of the Owners of the Bonds, the rights, duties and obligations of the Paying
28 Agent, Registrar and Transfer Agent, the circumstances under which any Bond is no
29 longer Outstanding, and to all the provisions of which the Owner hereof by the
30 acceptance of this Bond assents.

1 The principal of, interest on and any premium due in connection with the
2 redemption of this Bond are payable to the Registered Owner by Zions First National
3 Bank, or such successor as appointed under the Ordinance, as paying agent. So long
4 as the Registered Owner is a securities depository or a nominee therefor, the securities
5 depository is to disburse any payments received, through its participants or otherwise,
6 to the beneficial owner or owners hereof.

7 Neither the City nor the Paying Agent has any responsibility or obligation
8 for the payment to any participant, any beneficial owner hereof or any other person
9 (except the Registered Owner) of the principal of and interest on this Bond.

10 Neither the City nor the Registrar has any responsibility or obligation with
11 respect to the accuracy of the records of the Securities Depository or a nominee
12 therefor or any participant with respect to any ownership interest in the Bonds or the
13 delivery to any participant, beneficial owner or any other person (except the Registered
14 Owner) of any notice with respect to the Bonds.

15 This Bond is transferable only as set forth in the Ordinance and only upon
16 the registration books of the City by Zions First National Bank, or such successor as
17 appointed under the Ordinance, as its Transfer Agent. The Transfer Agent is not
18 required to transfer ownership of this Bond during the fifteen (15) days prior to the first
19 mailing of any notice of redemption or to transfer ownership of any Bond selected for
20 redemption on or after the date of such mailing. The Registered Owner may also
21 exchange this Bond for another Bond or Bonds of authorized denominations. The City
22 may deem and treat the person in whose name this Bond is last registered upon the
23 books of the City as the absolute owner hereof for the purpose of receiving payment of
24 the principal of and interest on this Bond and for all other purposes, and all such
25 payments so made to such person or upon his, her or its order will be valid and effective
26 to satisfy and discharge the liability of the City upon this Bond to the extent of the sum
27 or sums so paid, and the City will not be affected by any notice to the contrary.

28 Neither the City nor the Transfer Agent has any responsibility or obligation
29 with respect to the accuracy of the records of the Securities Depository or its
30 participants regarding any ownership interest in the Bonds or transfers thereof.

1 The City may remove the Securities Depository and the Securities
2 Depository may resign in accordance with the provisions of the Ordinance.

3 This Bond is issued by the City, under the authority and in full conformity
4 with the Constitution of the State of Colorado, the home rule charter of the City (the
5 “Charter”), the Code of the City, part 2 of article 57 of title 11, Colorado Revised
6 Statutes, as amended (the “Supplemental Act”) and the Ordinance, for the purpose of
7 financing the cost of acquiring, constructing, installing and improving various civic
8 facilities together with all necessary incidental or appurtenant properties, facilities,
9 equipment, and costs. Pursuant to Section 11-57-210 of the Supplemental Act, this
10 recital shall be conclusive evidence of the validity and the regularity of the issuance of
11 the Bonds after their delivery for value.

12 It is hereby recited, certified and warranted that the issuance of this Bond
13 has been duly authorized by a majority of the electors of the City qualified to vote and
14 voting on the ballot questions submitted at an election held in the City on November 6,
15 2007, for the purposes described therein.

16 It is also hereby recited, certified, and warranted that all acts, conditions
17 and things required to be done precedent to and in the issuance of this Bond have been
18 properly done, have happened and have been performed in regular and due time, form
19 and manner as required by the Constitution and the laws of the State, the Charter, the
20 Code of the City, the Supplemental Act and the proceedings herein mentioned and that
21 the total indebtedness of the City, including that of this Bond, does not exceed any
22 constitutional, charter or statutory limitations; and that provision has been made for the
23 levy and collection each year of ad valorem taxes on all the taxable property within the
24 City sufficient to pay the principal of and interest on this Bond as the same becomes
25 due.

26 The full faith and credit of the City is hereby pledged for the payment of
27 the principal of and interest on this Bond.

28 This Bond is not entitled to any security or benefit under the Ordinance
29 and is not to be valid or become obligatory for any purpose until the Certificate of
30 Authentication hereon has been signed.

1 ABBREVIATIONS

2 The following abbreviations, when used in the inscription on the face of
3 this Bond, shall be construed as though they were written out in full according to
4 applicable laws or regulations.

5
6 TEN COM as tenants in common
7 TEN ENT - as tenants by the entireties
8 JT TEN - as joint tenants with the right of
9 survivorship and not as tenants in common

10
11 UNIF TRANS MIN ACT - _____ Custodian _____
12 (Cust) (Minor)

13
14 Under Uniform Transfers to Minors Act.

15
16 _____
17 (State)

18
19 Additional abbreviations may also be used
20 though not on the above list.

21

1 **ARTICLE IV**

2 **DELIVERY, APPLICATION, AND ADMINISTRATION OF PROCEEDS**

3 **Section 401. Delivery.** After the Series 2010D Bonds have been duly
4 executed, authenticated and registered as provided herein, the Treasurer shall cause
5 the Series 2010D Bonds to be delivered to the Underwriters or at the request of the
6 Underwriters to the Securities Depository upon receipt of the agreed purchase price set
7 forth in the Sale Certificate. Except as provided below, the proceeds of the Series
8 2010D Bonds shall be applied solely to pay the costs of the Better Denver Project.
9 Neither the Underwriters nor any subsequent Owner of any Series 2010D Bond shall in
10 any manner be responsible for the application or disposal by the City or by any of its
11 officers, agents and employees of any of the proceeds of the Series 2010D Bonds.

12 **Section 402. Application of Proceeds of Series 2010D Bonds.** The net
13 proceeds of the Series 2010D Bonds, upon their receipt, shall be accounted for or
14 applied in the following manner and priority:

15 A. First, proceeds of the Series 2010D Bonds in the amount set forth
16 in the Sale Certificate shall be credited to a separate book account hereby created,
17 which shall be under the control of the Treasurer, maintained to defray the costs of the
18 Better Denver Project and designated as the “City and County of Denver, Colorado,
19 General Obligation Better Denver Bonds, Series 2010D, Bond Proceeds Fund” (the
20 “Series 2010D Bond Proceeds Fund”). All investment income earned on proceeds of
21 the Series 2010D Bonds on deposit in the Series 2010D Bond Proceeds Fund shall also
22 be credited to such account. All investment income earned on any other account
23 created under or referenced in this Ordinance shall be credited thereto. Any net original
24 issue premium received by the City from the sale of the Series 2010D Bonds shall be
25 credited to the Series 2010D Bond Proceeds Fund and/or to the “Bonded Indebtedness
26 Interest Fund” as set forth in the Sale Certificate.

27 B. Second, there shall be deposited into the Series 2010D Issuance
28 Expenses Account hereby created with the Paying Agent and designated as the “City
29 and County of Denver, Colorado, General Obligation Better Denver Bonds, Series
30 2010D, Costs of Issuance Account” (the “Series 2010D Costs of Issuance Account”) an
31 amount determined by the Treasurer to be sufficient to pay, together with other funds of

1 the City legally available for said purpose, the costs of issuance for the Series 2010D
2 Bonds. Any amounts on deposit in the Series 2010D Costs of Issuance Account
3 remaining after the payment of all the costs of issuance of the Series 2010D Bonds
4 shall be transferred to the Series 2010D Bond Proceeds Fund and spent on the costs of
5 the Better Denver Project.

6 C. Third, upon completion of the Better Denver Project, any
7 unexpended proceeds of the Series 2010D Bonds together with any other amounts
8 remaining in the Series 2010D Bond Proceeds Fund, shall be transferred to the
9 “Bonded Indebtedness Sinking Fund” or the “Bonded Indebtedness Interest Fund” as
10 the Treasurer may determine.

11 The City shall proceed with all due diligence to complete the Better
12 Denver Project.

13 **Section 403. Rebate Account.** The City shall transfer into a special
14 account hereby created and designated as the “City and County of Denver, Colorado,
15 General Obligation Better Denver Bonds, Series 2010D, Rebate Account” (the “Series
16 2010D Rebate Account”) the estimated amounts of arbitrage rebate, if any, and
17 penalties, if any, due to the federal government under Sections 103 and 148 of the Tax
18 Code and the regulations thereunder relating to the Series 2010D Bonds. Transfer of
19 said amounts shall be made from any or all of the funds or accounts referred to herein,
20 to the extent of funds available therefore, but the required arbitrage rebate payments
21 shall be made to the federal government from any legally available funds if there are no
22 proceeds of the Series 2010D Bonds or ad valorem tax receipts or investment earnings
23 thereon deposited in the funds or accounts referred to herein available for such
24 purpose. The amounts so transferred shall be such that within sixty (60) days after
25 each computation date selected by the City in accordance with Section 148(f) of the Tax
26 Code and the regulations thereunder the amount in the Series 2010D Rebate Account
27 is at least equal to the greater of (a) the amount that the City estimates is rebatable on
28 account of investment during the applicable period or (b) such other amount as the City
29 deems necessary or prudent to provide for payment of the amount actually rebatable in
30 accordance with Section 148(f) of the Tax Code and the regulations thereunder.

1 The City shall compute the amount actually rebatable as of each
2 installment computation date and pay the United States Treasury 90% thereof within
3 sixty (60) days and the balance, together with interest and penalties, if any, as required
4 by Section 148(f) of the Tax Code and the regulations thereunder, within sixty (60) days
5 after all the Series 2010D Bonds have been discharged, provided that computations
6 and payments may be made on other bases, at other times and in other amounts, or
7 omitted altogether, to the extent nationally recognized bond counsel opines that such
8 action will not adversely affect the tax treatment of interest on the Series 2010D Bonds.

9 The City shall hold the Series 2010D Rebate Account separate and apart
10 from all other funds and accounts of the City and shall maintain the Series 2010D
11 Rebate Account until sixty (60) days after all the Series 2010D Bonds have been
12 discharged. The City shall retain the records of the determinations of the amounts
13 required to be deposited in the Series 2010D Rebate Account, of the proceeds of any
14 investments of moneys in the Series 2010D Rebate Account and of the amounts paid to
15 the United States Treasury until the date six (6) years after the discharge of the last of
16 the Series 2010D Bonds.

17 **Section 404. Bonded Indebtedness Sinking Fund; Bonded**
18 **Indebtedness Interest Fund; Pledge.** For the purpose of paying interest on the Series
19 2010D Bonds as the same becomes due and the principal of the Series 2010D Bonds
20 as they mature, there shall be levied each year on all the taxable property in the City, in
21 addition to all other taxes, ad valorem taxes sufficient to pay such principal and interest
22 promptly as the same become due, and such taxes, when collected, shall be deposited
23 into the “Bonded Indebtedness Sinking Fund” and the “Bonded Indebtedness Interest
24 Fund,” as appropriate. In addition, all investment income earned on any funds held or
25 received by the Paying Agent pursuant to the Paying Agent Agreement that are required
26 to be remitted by the Paying Agent to the City shall be deposited by the City to either
27 the “Bonded Indebtedness Sinking Fund” or the “Bonded Indebtedness Interest Fund”
28 as the Treasurer may determine. Nothing herein prevents the City from depositing into
29 such funds and applying to the payment of the principal of and interest on the Series
30 2010D Bonds any other funds that may be in its treasury and available for that purpose,

1 and upon such payments the levies herein provided may thereupon to such extent be
2 diminished.

3 The sums hereinbefore provided to pay the principal and interest on the Series
4 2010D Bonds due in the year 2011 and the sums hereinbefore provided to pay the
5 principal of and interest on the Series 2010D Bonds thereafter are hereby appropriated
6 for those purposes, and such amounts for each year shall be included in the annual
7 budget and appropriation bill or bills to be adopted and passed by the Council in each
8 year while any of the Series 2010D Bonds are outstanding and unpaid. No
9 constitutional or Charter or City Code provision enacted or to become effective after the
10 issuance of the Series 2010D Bonds shall in any manner be construed as limiting or
11 impairing the obligation of the City to levy general ad valorem taxes without limitation as
12 to rate and in an amount sufficient to pay the principal of and interest on the Series
13 2010D Bonds as they become due.

14 The full faith and credit of the City are hereby pledged for the punctual payment
15 of the principal of and interest on the Series 2010D Bonds.

16 It shall be the duty of the Council annually at the time and in the manner provided
17 by law for levying other taxes, if such action is necessary to comply with the provisions
18 hereof, to ratify and carry out the provisions hereof with reference to the levy and
19 collection of taxes, and the Council shall require the officers of the City to levy, extend
20 and collect such taxes in the manner provided by law for the purpose of providing funds
21 to pay the principal of and interest on the Series 2010D Bonds promptly as the same
22 become due. Such taxes, when collected, shall be kept for and applied only to the
23 payment of the principal of and interest on the Series 2010D Bonds as hereinbefore
24 specified.

25 **Section 405. Appropriation and Payment of Moneys.** The Treasurer is
26 hereby authorized and directed to pay or cause to be paid the interest on the Series
27 2010D Bonds as the same becomes due and the principal of the Series 2010D Bonds
28 at maturity or upon prior redemption without further warrant or order. The moneys,
29 proceeds of the Series 2010D Bonds and interest earnings thereon, deposited in the
30 funds and accounts referred to or created herein are hereby appropriated for the
31 purposes of Section 402 hereof.

1 **Section 406. Tax Covenants.**

2 A. The City covenants for the benefit of the registered owners of the Series
3 2010D Bonds that it will not take any action or omit to take any action with respect to the
4 Series 2010D Bonds, the proceeds thereof, any other funds of the City or any facilities
5 financed or refinanced with the proceeds of the Series 2010D Bonds if such action or
6 omission (i) would cause the interest on the Series 2010D Bonds to lose its exclusion
7 from gross income for federal income tax purposes under Section 103 of the Tax Code,
8 (ii) would cause interest on the Series 2010D Bonds to lose its exclusion from
9 alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, or
10 (iii) would cause interest on the Series 2010D Bonds to lose its exclusion from Colorado
11 taxable income or Colorado alternative minimum taxable income under present
12 Colorado law. The foregoing covenant shall remain in full force and effect
13 notwithstanding the payment in full or defeasance of the Series 2010D Bonds until the
14 date on which all obligations of the City in fulfilling the above covenant under the Tax
15 Code and Colorado law have been met.

16 B. The City is hereby authorized to execute a certificate or certificates in
17 implementation of the foregoing covenants, and the representations and agreements
18 set forth therein shall be deemed the representations and agreements of City, as if the
19 same were set forth herein.

20 **Section 407. Ordinance to Constitute Contract.** In consideration of the

21 purchase and acceptance of any or all of the Series 2010D Bonds by the Owners from
22 time to time, the provisions of this Ordinance shall be part of the contract between the
23 City and the Owners from time to time, to the effect and with the purpose set forth
24 herein.

25 **Section 408. Performance of Duties.** The City will faithfully and

26 punctually perform or cause to be performed all duties with respect to the Projects
27 required by the Constitution and laws of the State, the Charter and the City Code.

28 **Section 409. Conditions Precedent.** Upon the date of issuance of the

29 Series 2010D Bonds, all conditions, acts and things required by the Constitution and
30 laws of the State or the Charter and ordinances of the City to exist, to have happened
31 and to have been performed precedent to or in the issuance of the Series 2010D Bonds

1 shall exist, have happened, and have been performed; and the Series 2010D Bonds,
2 together with all other obligations of the City, shall be within every other limitation
3 prescribed by the State Constitution or the Charter.

4 **ARTICLE V**

5 **DEFEASANCE**

6 **Section 501.** **Defeasance.** When all of the principal of and interest on the
7 Series 2010D Bonds have been duly paid, all obligations hereunder shall thereby be
8 discharged, and the Series 2010D Bonds shall no longer be deemed to be Outstanding.
9 There shall be deemed to be such due payment when the City has placed in escrow or
10 in trust with a trust bank located within or without the State, moneys or Federal
11 Securities or both in an amount sufficient (including the known minimum yield available
12 for such purpose from Federal Securities in which such amount may wholly or in part be
13 initially invested) to pay all principal of and interest on the Series 2010D Bonds when
14 due, whether at stated maturity or upon prior redemption. The Federal Securities shall
15 become due prior to the times at which the proceeds thereof shall be needed in
16 accordance with a schedule established and agreed upon between the City and such
17 bank at the time of the creation of the escrow or trust. Nothing herein shall be
18 construed to prohibit a partial defeasance of the Series 2010D Bonds in accordance
19 with the provisions hereof and in the Sale Certificate.

20 **ARTICLE VI**

21 **MISCELLANEOUS**

22 **Section 601.** **Delegation of Duties.** The officers and employees of the
23 City are hereby authorized and directed to take all action necessary or appropriate to
24 the provisions hereof, including without limitation:

- 25 A. The preparation of the Series 2010D Bonds;
26 B. The execution and delivery of the Sale Certificate, the Paying Agent
27 Agreement, the Continuing Disclosure Undertaking, the Bond Purchase Agreement for
28 any Series 2010D Bonds sold pursuant to negotiated sale, and such certificates as may
29 be reasonably required by the City's Co-Bond Counsel or Underwriters, relating, among
30 other matters, to:

- 31 1. The signing of the Series 2010D Bonds;

- 1 2. The tenure and identity of the officials of the City;
- 2 3. The actual valuation of the taxable property in the City and
- 3 the indebtedness of the City;
- 4 4. The exclusion from gross income of interest on the Series
- 5 2010D Bonds for federal and State income tax purposes;
- 6 5. The delivery of the Series 2010D Bonds and the receipt of
- 7 the purchase price; and
- 8 6. If in accordance with fact, stating the absence of pending
- 9 litigation affecting the validity thereof.

10 C. The assembly and dissemination of financial and other information
11 concerning the City and the Series 2010D Bonds, including the Notice of Sale for any
12 Series 2010D Bonds sold by competitive sale and the Official Statement; and

13 D. The sale and issuance of the Series 2010D Bonds in accordance
14 with the provisions of the Sale Certificate, the Notice of Sale (if applicable), the Bond
15 Purchase Agreement (if any) and this Ordinance.

16 **Section 602. Replacement of Agents.** The Paying Agent, Registrar and
17 Transfer Agent may resign, be removed, and be replaced in accordance with the
18 provisions of the Paying Agent Agreement. Every such successor shall be an Insured
19 Bank unless the Treasurer decides to assume the responsibilities of Paying Agent,
20 Registrar or Transfer Agent. It shall not be required that the same institution serve as
21 paying agent, registrar and transfer agent hereunder, but the City shall have the right to
22 have the same institution serve in all or any such capacities.

1 COMMITTEE APPROVAL DATE: (by Consent) September 16, 2010

2 MAYOR-COUNCIL DATE: September 21, 2010

3 PASSED BY THE COUNCIL _____, 2010

4 _____ - PRESIDENT

5 APPROVED: _____ - MAYOR _____, 2010

6 ATTEST: _____ - CLERK AND RECORDER

7 EX-OFFICIO CLERK OF THE

8 CITY AND COUNTY OF DENVER

9 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2010; _____, 2010

10 PREPARED BY: SHERMAN & HOWARD L.L.C. AND KLINE ALVARADO VEIO, P.C.

11 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
12 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
13 ordinance. The proposed ordinance **is not** submitted to the City Council for approval pursuant to
14 §3.2.6 of the Charter.

15

16 David R. Fine, City Attorney

17 BY: _____ - _____

18 DATE: _____, 2010