

DELEGATION AND PARTICIPATION AGREEMENT

This DELEGATION AND PARTICIPATION AGREEMENT (the “Agreement”), dated as of _____, 2013, is by and between the CITY OF COMMERCE CITY, a legally and regularly created, established, organized and existing political subdivision under the Constitution and statutes of the State of Colorado (“Commerce City”) and the CITY AND COUNTY OF DENVER, COLORADO, a legally and regularly created, established, organized and existing political subdivision under the Constitution and statutes of the State of Colorado (“Denver”);

RECITALS:

WHEREAS, the State of Colorado (the “State”) Constitution Article XIV, Section 18(2)(a), provides that nothing in the Constitution shall prohibit any of the State’s political subdivisions from cooperating with one another to provide any service lawfully authorized to each of the cooperating units; and

WHEREAS, Denver is authorized pursuant to its Charter to promote the financing of residential facilities for low and middle income persons or families or facilities intended for use as the sole place of residence by the owners or intended occupants and to promote the health, safety and general welfare of the people of Denver; and

WHEREAS, Denver has sponsored its 2013 Metro Mortgage Assistance Plus Program to provide competitive fixed rate 30-year mortgage loans which will be coupled with down payment and closing cost assistance grants in connection with financing mortgage loans for residential facilities, intended for use as the sole place of residence by the owners thereof, for low- and middle-income families (the “Program”); and

WHEREAS, Denver has invited Commerce City to participate in the Program; and

WHEREAS, Commerce City has the full legal authority to participate in the Program pursuant to its home rule Charter, the general powers granted to it in Title 31, Article 15, Colorado Revised Statutes, as amended, and the Resolution adopted by the Commerce City Council authorizing Commerce City’s participation in the Program pursuant to this Agreement (the “Authorization”); and

WHEREAS, Commerce City desires to delegate to Denver Commerce City’s authority to take action and exercise power with respect to the Program within Commerce City’s boundaries;

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

Section 1. Commerce City hereby delegates to Denver Commerce City’s authority to take action and exercise power with respect to the Program within Commerce City’s boundaries; provided, however, such delegation does not authorize Denver, and Denver is expressly prohibited from attempting or purporting, to obligate Commerce City to make any financial contribution, or incur any debt, related to the Program.

Section 2. Denver hereby accepts the delegation of authority from Commerce City pursuant to Section 1 hereof and agrees to abide by each of the terms and conditions of this Agreement in connection with the use of such delegation. Denver agrees to make the Program available to Commerce City residents for the origination of home mortgages within Commerce City's boundaries.

Section 3. The participation of Commerce City in the Program, and all undertakings, obligations, duties and rights of Commerce City and Denver under this Agreement, are contingent upon the implementation of the Program.

Section 4. In the event the Program is not implemented by Denver or the Program is terminated by Denver, this Agreement, and all duties, obligations and rights of Denver and Commerce City hereunder, shall terminate. If the Program is not implemented or is terminated, Commerce City agrees to hold Denver harmless for any costs or any other liabilities incurred by Commerce City with respect to the adoption and approval of this Agreement or any other Commerce City actions related thereto. Notwithstanding the foregoing, Commerce City shall have no financial obligations whatsoever with respect to any actions taken by Denver in its implementation, administration or termination of the Program.

Section 5. Commerce City's participation in the Program pursuant to this Agreement shall not be construed as creating or constituting a general obligation or multiple fiscal year direct or indirect indebtedness or other financial obligation whatsoever of Commerce City nor a mandatory payment obligation of Commerce City in any fiscal year during which this Agreement shall be in effect.

[Signatures on the following pages]

IN WITNESS WHEREOF, Commerce City and Denver have caused this Delegation and Participation Agreement to be executed and be effective as of _____, 2013.

CITY OF COMMERCE CITY

Sean Ford, Mayor

ATTEST:

Laura J. Bauer, CMC, City Clerk

Approved as to form:

Gregory D. Graham, Assistant City Attorney

CITY AND COUNTY OF DENVER,
COLORADO

By _____
Manager of Finance

[Signature Page to Delegation and Participation Agreement]