

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code") and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The Bonds, together with interest thereon and income therefrom, are exempt from all taxes by the State of Colorado under Colorado laws in effect on the date of delivery of the Bonds. See "TAX MATTERS." The Authority has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Tax Code. See "FINANCIAL INSTITUTION INTEREST DEDUCTION."

\$20,565,000

**STEAMBOAT SPRINGS REDEVELOPMENT AUTHORITY, COLORADO
TAX INCREMENT REVENUE REFUNDING AND IMPROVEMENT BONDS
(BASE AREA REDEVELOPMENT PROJECT)
SERIES 2010**

Dated: Date of Delivery

Due: December 1, as shown herein

The Steamboat Springs Redevelopment Authority, Tax Increment Revenue Refunding and Improvement Bonds (Base Area Redevelopment Project), Series 2010 (the "Bonds"), will be issued by the Steamboat Springs Redevelopment Authority (the "Authority"), pursuant to an Indenture of Trust dated as of October 5, 2010, between the Authority and Wells Fargo Bank, N.A., Denver, Colorado, as Trustee. The Bonds are issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof and initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the Bonds. See "THE BONDS--Book-Entry Only System." The Bonds bear interest at the rates set forth herein, payable on June 1 and December 1 of each year, commencing on December 1, 2010, to and including the maturity dates shown herein (unless the Bonds are redeemed earlier), payable to the registered owner of the Bonds, initially Cede & Co. The principal of the Bonds will be payable upon presentation and surrender at the Trustee. See "THE BONDS."

The maturity schedule for the Bonds appears on the inside cover page of this Official Statement.

Certain of the Bonds are subject to redemption prior to maturity at the option of the Authority and also are subject to mandatory sinking fund redemption as described in "THE BONDS--Prior Redemption."

Proceeds of the Bonds will be used to: (i) finance the costs of constructing certain traffic, street and pedestrian improvements within the Authority; (ii) refund certain obligations of the Authority, as further described herein; (iii) fund a reserve fund; and (iv) pay the costs of issuing the Bonds. See "SOURCES AND USES OF FUNDS."

The Bonds are special, limited obligations of the Authority, equitably and ratably secured by an irrevocable pledge of and lien on, and payable solely from the Pledged Revenues (as defined herein). The Pledged Revenues consist primarily of property tax increment revenues and sales tax increment revenues collected within the Redevelopment Area, moneys on deposit in certain funds as described herein (including a Reserve Fund), and investment income as described herein. **The Bonds do not constitute a general obligation of the City of Steamboat Springs, Colorado (the "City") or the Authority. Owners of the Bonds may not look to any other funds or accounts other than those specifically pledged by the Authority to the payment of the Bonds.** *The Authority does not have the power to impose property, sales, or any other taxes for the payment of debt service on the Bonds, nor may the Authority or the City compel any other taxing jurisdiction to levy a tax.* The City has covenanted annually to consider appropriating legally available revenues in an amount sufficient to replenish the Reserve Fund to the extent Pledged Revenues are not available; however, it is not legally obligated to replenish the Reserve Fund. See "SECURITY FOR THE BONDS--City's Appropriation Covenant."

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision, giving special consideration to the section entitled "CERTAIN RISK FACTORS."

The Bonds are offered when, as, and if issued by the Authority and accepted by the Underwriter, subject to the approval of legality of the Bonds by Sherman & Howard L.L.C., Denver, Colorado, Bond Counsel, and the satisfaction of certain other conditions. Sherman & Howard L.L.C. also has acted as special counsel to the Authority in connection with this Official Statement. Certain legal matters will be passed upon for the Authority by its counsel, Murray Dahl Kuechenmeister & Renaud LLP, Denver, Colorado, and for the City by the City Attorney. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about October 5, 2010.

PiperJaffray®

Official Statement dated September 29, 2010

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SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The proceeds from the sale of the Bonds are expected to be applied in the following manner.

Sources and Uses of Funds

	<u>Amount</u>
SOURCES:	
Principal amount of Bonds	\$20,565,000
Plus: net original issue premium	300,887
Other sources of funds (1)	<u>759,237</u>
Total	<u>\$21,625,124</u>
 USES:	
Improvement Project	\$ 2,316,856
Refunding Project	17,500,000
Deposit to Reserve Fund	1,553,055
Costs of issuance (including Underwriter's discount) ..	<u>255,213</u>
Total	<u>\$21,625,124</u>

(1) Represents amounts on deposit in the reserve fund for the refunded bonds.

Source: The Underwriter.

The Improvement Project

General. The Improvement Project consists of various public improvements within the Plan Area. The Authority formed the Base Area Urban Redevelopment Area Advisory Committee ("URAAC") to advise the Board regarding public improvements to be constructed and with respect to design matters for those public improvements. The Improvement Project is expected to cost approximately \$19.5 million. The Authority planned the Improvement Project in two phases; each Phase of the Improvement Project is discussed in more detail below. The Authority may change, re-order, eliminate or add projects to the descriptions below as it deems necessary or desirable in order to complete redevelopment projects within the Plan Area.

The following table sets forth the timing, amounts and funding sources for each Phase of the Improvement Project. The components of each Phase are described below.

	<u>Approximate Amount</u>	<u>Source of Funds</u>
Phase I	\$ 6,900,000	2007 Bonds
Phase II		
Summer 2007/2008	1,900,000	2007 Bonds
Summer 2009	2,600,000	2009 Bonds (1)
Summers 2010 and 2011	<u>8,120,000</u>	2009 Bonds; 2010 Bonds
Grand Total	<u>\$19,520,000</u>	

(1) This amount was used to reimburse the City for funds advanced for Phase II of the Project.

Source: The City.

Phase I. Phase I of the Improvement Project is substantially complete. Phase I consisted primarily of the construction of the following street, transit and pedestrian improvements in the Plan Area as further described below.

In 2007, the Phase I improvements included reconstruction of the access to Ski Time Square (located at the base of the Ski Area) by constructing a transit stop and traffic circle/turnaround. From the traffic circle, two major pedestrian connections were constructed. One pedestrian connection is located along the road back to the Gondola Square Transit Center and the other connects the new transit stop to the future Promenade. An old and damaged 60" culvert that runs Burgess Creek through the Base Area was replaced with a 100-year flood new 78" culvert. A wayfinding and signing program was implemented as part of Phase 1. In 2008, the Phase I improvements included the construction of a roundabout at the entrance to the Base Area for better function and safety. In 2009, the Burgess Creek Plaza and the Burgess Creek Diversion Structure were constructed. This provided for the first piece of the future Promenade. In each of those years, underground utilities were upgraded, replaced, or relocated as appropriate for the long term functions of the Base Area. Phase I also included design and engineering costs, preconstruction services and construction management services.

Phase II. Phase 2 of the Improvement Project is planned to include the following public improvements to be constructed by the Authority: (i) Base Area Promenade and associated connections (a snowmelted wide pedestrian walkway connecting resort properties and commercial businesses in the Base Area at the snow edge); (ii) the "daylighting" of Burgess Creek; (iii) expansion of the connection from the STS Transit Stop to the Promenade; and (iv) Gondola Square amenities.

Burgess Creek previously had been diverted underground; the daylighting project will allow Burgess Creek to flow above ground during the summer months and will allow it to be rediverted underground during the winter to accommodate ski operations.

The Refunding Project

The Authority will use a portion of the Bond proceeds to pay and cancel the outstanding 2009 Bonds concurrently with the closing for the Bonds.