

**PLANNING & DEVELOPMENT MEMORANDUM**  
**#09-20**

June 25, 2009

**TO:** Honorable Mayor Kathleen M. Novak and City Council members

**FROM:** William Simmons, City Manager *WAS*  
James Hayes, Director of Planning and Development *JH*  
Patrick Breitenstein, Acting Housing and Grants Coordinator *PB*

**SUBJECT:** CR-70; Assigning Homeowner Loans to Adams County

**RECOMMENDATION:**

Attached to the memorandum is CR-70, which approves assignment to Adams County of loans to homeowners made by the Northglenn Neighborhood Development (NNDC) as part of a Community Development Block Grant (CDBG) funded program. Staff recommends approval of this Resolution.

**BACKGROUND:**

In 2007 and 2008 NNDC offered a loan program to Northglenn home owners. The loan program used CDBG money to fund the loans. The loans were given to qualified homeowners for home improvements. In this program qualified meant low/moderate income; senior citizen; or handicapped. Five such loans totaling \$30,990.00 were made.

The loans are due upon sale of the property or whenever the qualified borrower no longer uses the home as their principal residence. In addition, the loan agreement allows prepayment if desired by the homeowner. In any event, all payment received would be considered CDBG program income and must be returned to Adams County. NNDC ceased operation and dissolved in March 2009. Prior to dissolution the five outstanding loans were assigned to the City.

Council reviewed this loan program at the study session of June 4. In consideration of the need to return all revenue to Adams County, there was consensus to assign the loans to the County.

**BUDGET/TIME IMPLICATIONS:**

If retained by the City, we will become the loan processors for these loans and be obligated to perform all necessary functions of debt management over an extended period of time. The City would receive no compensation for this effort.

**STAFF CONTACT:**

If Council members have any comments or questions they may contact James Hayes at 303-450-8937, [jhayes@northglenn.org](mailto:jhayes@northglenn.org) or Patrick Breitenstein at 303-450-8742, [pbreitenstein@northglenn.org](mailto:pbreitenstein@northglenn.org).

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-70  
Series of 2009

\_\_\_\_\_  
Series of 2009

A RESOLUTION APPROVING THE ASSIGNMENT OF THE REVOLVING LOAN PROGRAM PREVIOUSLY ADMINISTERED BY THE NORTHGLENN NEIGHBORHOOD DEVELOPMENT CORPORATION FROM THE CITY OF NORTHGLENN TO ADAMS COUNTY

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

Section 1. The City Council hereby approved the assignment of the Revolving Loan Program previously administered by the Northglenn Neighborhood Development Corporation from the City of Northglenn to Adams County, and authorizes the City Manager to execute all necessary documents to accomplish the assignment of the Revolving Loan Program to Adams County.

DATED at Northglenn, Colorado, this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
KATHLEEN M. NOVAK  
Mayor

ATTEST:

\_\_\_\_\_  
JOHANNA SMALL, CMC  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
COREY Y. HOFFMANN  
City Attorney