

PLANNING AND DEVELOPMENT MEMORANDUM

#08-09

May 8, 2008

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

FROM: A. J. Krieger, City Manager
James Hayes, Planning and Development Director
Kae Madden, Community Engagement Manager

SUBJECT: CR -77: Amending Resolution 06-46 regarding Eligibility Criteria for Emergency Grants

RECOMMENDATION:

Attached to this memorandum is a proposed amendment to Resolution 06-46 which, if approved, would change the eligibility criteria for Emergency Grants to match the Community Development Block Grant (CDBG) eligibility guidelines. Amending the eligibility criteria will make the emergency grants available to more residents during Clean Sweep and routine enforcement and facilitate coordination with and maximization of all other grant opportunities. Staff recommends approval of this proposed resolution.

BACKGROUND:

The City of Northglenn has a long history of assisting residents in emergency situations. At one time, grants were awarded to assist with emergencies such as rent, water and utility bills, repairs of furnaces and water heaters. In 2006, at the recommendation of the Housing Task Force, City Council passed Resolution 06-46 establishing guidelines allocating grants only for code-related issues, and directing initial funding of an Emergency Grant Program. Resolution 06-46 is attached as Exhibit B.

The goal of the City of Northglenn Grant Program is to assist low to moderate income residents with funds to remedy code violations. Grants up to \$1000 are awarded based on availability of funds and the established income guidelines. Grants are given to residents on a one time only basis.

The total grant funds available in 2008 are \$24,620.77. In 2006, grants awards totaled \$6,172.03. In 2007, the history is six grants awarded totaling \$5,218.37, one resident applied and was ineligible, and six referrals were made for grants for which applications were never completed.

Changing the eligibility guidelines from the Health and Human Services Poverty Guidelines to the Area Median Income (AMI) guidelines will make more people eligible, promote greater utilization of the grants and will provide consistency in grant application evaluation. The guidelines are attached as Exhibit A.

POTENTIAL OBJECTION:

City Staff is not aware of any specific opposition to the proposed changes to eligibility.

BUDGET/TIME IMPLICATIONS:

The emergency grant funding is budgeted for 2008, with an available balance of \$24,620.77. Changing the eligibility guidelines will be consistent with the Brothers Redevelopment Incorporated CDBG grants approved by City Council on 4/24/08.

STAFF REFERENCE:

If Council members have any comments or questions they may contact Kae Madden, 303-450-8949, kmadden@northglenn.org.

SPONSORED BY: MAYOR NOVAK, COUNCIL MEMBERS DOWNING & MONROE

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-77
Series of 2008

Series of 2008

A RESOLUTION AMENDING THE ELIGIBILITY CRITERIA FOR THE EMERGENCY GRANT PROGRAM TO ASSIST CITY RESIDENTS IN REMEDYING CODE VIOLATIONS AS ORIGINALLY ADOPTED BY RESOLUTION NO. 06-46

WHEREAS, the City Council by the adoption of Resolution 06-46 on March 9, 2006 established an emergency grant program for the purpose of providing one-time assistance to low-income City residents solely for the purpose of paying the costs of remedying violations of the Northglenn Municipal Code that exist on their property; and

WHEREAS, the City Council desires to amend the eligibility criteria for the aforesaid emergency grant program.

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

Section 1. Section 2 of Resolution No. 06-46, entitled "Eligibility Criteria," is hereby amended to read as follows:

Eligibility criteria. An individual shall only be eligible for a grant if the following conditions are met:

- a. Income. The household income for the applicant as shown on the most recent income tax returns for the applicant's household members, shall be less than ~~two hundred fifty percent (250%) of the poverty level as established by the most recent United States Health and Human Services Poverty Guidelines~~ EIGHTY PERCENT (80%) OF THE AREA MEDIAN INCOME, AS MORE PARTICULARLY DESCRIBED IN EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE; AND
- b. ~~Income to Expense Ratio.~~ ~~The average monthly income of the applicant is no greater than 110 percent of the applicant's average monthly expenses for the most recent tax year; and~~
- eb. Use of Grant. The grant funds shall be used solely to remedy a violation of the Northglenn Nuisance Ordinance, codified at Municipal Code § 9-11-1, *et seq.*, the Northglenn Building Regulations, codified at Chapters 10 and 11 of the Northglenn Municipal Code, or water or sewer main emergencies.

DATED at Northglenn, Colorado, this ____ day of _____, 2008.

KATHLEEN M. NOVAK
Mayor

ATTEST:

JOHANNA SMALL, CMC
Acting City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

EXHIBIT A
2008 CDBG Income Limits
What is Area Median Income?

Area Median Income (AMI) means the midpoint income for the area, i.e. half of all wages earners have salaries higher than the median and half of all the wage earners have salaries lower than the median. Each year HUD sets AMI for all Metropolitan Statistical Areas (MSA) in each state.

The Denver-Aurora MSA contains the following counties: Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson and Park. Each city in these counties uses these income guidelines for all CDBG programs and projects. HUD defines low-to moderate income households as those that earn at or below 80% of the AMI. The AMI income guidelines are published and adjusted annually by HUD. Eligibility for Emergency Grants is consistent with the above guidelines.

Family or household income for the **Emergency Grants** may not exceed 80% of the AMI as provided below.

Household Size 80% of Median

One Person	\$40,200
Two Persons	\$45,950
Three Persons	\$51,700
Four Persons	\$57,450
Five Persons	\$62,050
Six Persons	\$66,650
Seven Persons	\$71,250
Eight Persons	\$75,850

SPONSORED BY: COUNCIL MEMBER MONROE

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-50
Series of 2006

06-46
Series of 2006

A RESOLUTION ESTABLISHING AN EMERGENCY GRANT PROGRAM AND FUND TO ASSIST CITY RESIDENTS IN REMEDYING CODE VIOLATIONS ON THEIR PROPERTY

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

Section 1. Purpose. An emergency grant program and fund are hereby established for the purpose of providing one-time assistance to low-income City residents solely for the purpose of paying the costs of remedying violations of the Northglenn Municipal Code that exist on their property.

Section 2. Eligibility criteria. An individual shall only be eligible for a grant if the following conditions are met:

- a. **Income.** The household income for the applicant as shown on the most recent income tax returns for the applicant's household members, shall be less than two hundred fifty percent (250%) of the poverty level as established by the most recent United States Health and Human Services Poverty Guidelines;
- b. **Income to Expense Ratio.** The average monthly income of the applicant is no greater than 110 percent of the applicant's average monthly expenses for the most recent tax year; and
- c. **Use of Grant.** The grant funds shall be used solely to remedy a violation of the Northglenn Nuisance Ordinance, codified at Municipal Code § 9-11-1, *et seq.*, the Northglenn Building Regulations, codified at Chapters 10 and 11 of the Northglenn Municipal Code, or water or sewer main emergencies.

Section 3. Amount. The maximum amount of any grant shall be one thousand dollars (\$1,000.00).

Section 4. One time payment. An individual shall be entitled to only a single grant payment during his or her lifetime, regardless of the reasons for which the grant is sought.

Section 5. Direct Payment or reimbursement. No grant funds shall be disbursed directly to grant recipients prior to any work being done on recipient's property. The City shall either pay vendors and contractors directly on behalf of the grant recipient or shall reimburse the recipient for such expenses upon satisfactory proof of the expense.

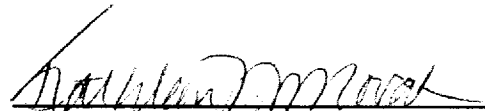
Section 6. Application Forms. City staff is directed to prepare an application form and to follow verification procedures, which shall be designed to ensure that the information provided by the grant applicants is accurate, and that applicants meet the eligibility criteria set forth in this Resolution.

Section 7. Award criteria. Once an individual is determined to be eligible for a grant, in determining whether to award a grant, and in prioritizing grant disbursements, staff shall consider the follow criteria:

- a. The seriousness of the code violation that is being sought to be remedied by the applicant;
- b. The threat to human health, safety and welfare caused by the code violation;
- c. The extent to which the grant will assist in remedying the code violation;
- d. The likelihood the code violation will reoccur;
- e. The applicant's code violation history and the reasons for such history; and
- f. The ability of the other members of the applicant's household to assist with remedying the code violation.

Section 8. Fund Established. A separate fund within the City's general fund entitled the "Northglenn Emergency Grant Fund," shall be established for the purposes set forth in this Resolution, which shall be originally funded in the amount of ten thousand dollars (\$10,000.00). The balance in this fund shall carry forward from year-to-year.

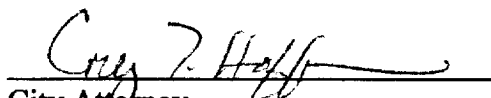
DATED at Northglenn, Colorado, this 9th day of March, 2006.


KATHLEEN M. NOVAK
Mayor

ATTEST:


DIANA L. LENTZ, CMC
City Clerk

APPROVED AS TO FORM:


City Attorney