

SPONSORED BY: COUNCIL MEMBER LINDSEY

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-51  
Series of 2006

\_\_\_\_\_  
Series of 2006

A RESOLUTION ESTABLISHING AN EMERGENCY LOAN 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 loan program and fund are hereby established for the purpose of providing low-interest loans to 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 loan if the following conditions are met:

- a. 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
- b. Use of Loan. The loan funds will 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 Chapter 10 of the Northglenn Municipal Code, or for water or sewer main emergencies.

Section 3. Amount. The maximum amount of any loan shall be two thousand five hundred dollars (\$2,500.00).

Section 4. Improvements Agreement. Loan recipients shall sign an improvements agreement substantially similar to the agreement attached hereto as **Exhibit A** guaranteeing that they will use the loan funds to perform the agreed upon property improvements.

Section 5. Promissory Note. Loan recipients shall sign a promissory note substantially similar to the promissory note attached hereto as **Exhibit B** on behalf of the City guaranteeing repayment. The promissory note shall be secured by a deed of trust, which shall be recorded upon execution, and become a lien against the loan recipient's property.

Section 6. Application Forms. City staff is directed to prepare an application form that is substantially similar to the application form attached hereto as **Exhibit C**, and to follow verification procedures, which shall be designed to ensure that the information provided by 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 loan, in determining whether to award a loan, and in prioritizing loan disbursements, City 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 loan 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 applicant to repay the loan pursuant to the loan terms.

Section 8. Fund Established. A separate fund within the City's general fund entitled the "Northglenn Emergency Loan Fund," shall be established for the purposes set forth in this Resolution, which shall be originally funded in the amount of fifty thousand dollars (\$50,000.00). The balance in this fund shall carry forward from year-to-year.

DATED at Northglenn, Colorado, this \_\_\_\_ day of \_\_\_\_\_, 2006.

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

ATTEST:

\_\_\_\_\_  
DIANA L. LENTZ, CMC  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

IMPROVEMENTS AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, by and between the City of Northglenn, State of Colorado, a municipal corporation, (the "City"), and \_\_\_\_\_, a resident of the City of Northglenn (the "Resident") who resides at: \_\_\_\_\_

WHEREAS, the City of Northglenn and its residents desire to improve the general appearance of the City and its neighborhoods, by encouraging property maintenance and compliance with local municipal code requirements, and

WHEREAS, said improvements may be encouraged by granting financial assistance to those persons who are residents of the City and who own property in the City,

NOW, THEREFORE, in order to improve the City's appearance, and in consideration of the commitment herein contained, the parties to this Agreement hereby agree as follows:

1. The City has examined the Resident's property at \_\_\_\_\_ and recommends certain improvements in order to improve appearance as well as bring the property into compliance with the City of Northglenn Municipal Code.
2. The City has conferred with the Resident and will provide the resident a loan in the amount of \$ \_\_\_\_\_ (dollars) for the purpose of completing the following improvements on the Resident's property:
  - a.
  - b.
  - c.
3. The Resident agrees to use all amounts provided by the City under this Agreement toward the completion of the improvements specified herein.
4. The Resident will sign a promissory note for the amount loaned by the City under this Agreement for these improvements. The promissory note will be secured by a Deed of Trust on the property, also signed by the Resident.
5. The Resident understands that by agreeing to accept this loan from the City, the Resident will secure the repayment of the loan by executing a Deed of Trust. The Deed of Trust will impose a lien on the Resident's property until the loan is paid in full to the City.
6. All specified improvements must be commenced immediately upon receipt of the loan provided under this Agreement.
7. All specified improvements must be completed by a date determined by the City of Northglenn after receipt of the loan provided under this Agreement.
8. Failure to commence or complete the improvements within the time specified herein shall constitute a default under the promissory note.

9. The Resident agrees to permit representatives from the City to inspect the Resident's property at any reasonable time to determine whether specified improvements have been commenced and to determine whether such improvements are being satisfactorily completed.
10. The text herein constitutes the entire Agreement between the parties.

CITY OF NORTHGLENN

RESIDENT

By: \_\_\_\_\_

\_\_\_\_\_

STATE OF COLORADO )

)ss.

COUNTY OF ADAMS )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
200\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_.

Witness my hand and seal.

My commission expires:

\_\_\_\_\_  
NOTARY PUBLIC

**PROMISSORY NOTE**

1. FOR VALUE RECEIVED, I, \_\_\_\_\_, the undersigned Borrower, hereby promise to pay the City of Northglenn, Colorado, the Note Holder, the principal sum of \$ \_\_\_\_\_ (dollars), with interest on the unpaid balance from the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, until paid at the rate of \_\_\_\_\_ percent per annum. Principal and interest shall be payable at:

Post Office Box 330061  
Northglenn, Colorado 80233 - 8061

in payments of \$ \_\_\_\_\_ (dollars) due on the \_\_\_\_\_ day of each \_\_\_\_\_ beginning on \_\_\_\_\_, 200 \_\_\_\_\_. Such payments shall continue until the entire indebtedness evidenced by this Note is fully paid; provided, however, if not paid sooner, the entire principal amount outstanding and accrued interest thereon, shall be due and payable twenty-four months from the date of this note, no later than \_\_\_\_\_, 200 \_\_\_\_\_.

2. The Borrower may prepay the principal amount outstanding under this Note, in whole or in part, at any time without penalty. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent payments or change the amount of such payments.

3. The indebtedness evidenced by this Note is secured by a Deed of Trust dated \_\_\_\_\_, 200\_\_\_\_, and until released said Deed of Trust contains additional rights of the Note Holder.

PROPERTY ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

STATE OF COLORADO        )  
  ) ss.  
COUNTY OF ADAMS        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, by \_\_\_\_\_.

Witness my hand and seal.

My commission expires:

\_\_\_\_\_  
Notary Public



# Keep Northglenn Beautiful

*A program to promote working partnerships to beautify, enhance, maintain and revitalize our community*

## **Application for Loan Assistance**

The goal of the Keep Northglenn Beautiful program is to make a difference in the physical appearance and well-being of our neighborhoods while fostering a sense of pride, ownership and community among Northglenn residents.

Keep Northglenn Beautiful offers a loan program to correct code violations to residents who do not have the financial resources to keep up with the exterior of their home and yard maintenance. All loans are subject to availability of funding. Maximum loan amount is \$1000 with two years for repayment. After the check is issued, a lien will be placed on your property by the City of Northglenn. This guarantees the loan will be repaid. If you are unable to repay the loan prior to selling your house, the City will be reimbursed when you sell your house. The amount of interest will be determined when the loan is approved. You will be billed on the first Friday of each month and payments are due at the end of the month. Please complete this application and return to: Cathy Coward, City of Northglenn, 11701 Community Center Drive, Northglenn CO 80233. Questions may be directed to 303-450-8904. You will be contacted within two weeks of our receipt of this application about the status of your loan.

**Please Print:**

Work Phone: \_\_\_\_\_

Name \_\_\_\_\_ Home Phone: \_\_\_\_\_

Address \_\_\_\_\_ Zip \_\_\_\_\_

Loan Amount Requested \_\_\_\_\_ Annual Income \_\_\_\_\_ (Please attach last year's Income Tax forms)

Length of time at this address? \_\_\_\_\_

Please list how you plan to use the money: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Anticipated completion date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

**A COPY OF THE ZONING COURTESY NOTICE MUST BE ATTACHED FOR THE LOAN APPLICATION TO BE PROCESSED.**