

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-9
Series of 2005

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A RESOLUTION AUTHORIZING THE DELEGATION TO THE CITY AND COUNTY OF DENVER, COLORADO OF THE AUTHORITY OF THE CITY OF NORTHGLENN, COLORADO, WITH RESPECT TO THE ISSUANCE OF SINGLE FAMILY HOME MORTGAGE REVENUE BONDS (THE "BONDS") TO FINANCE RESIDENTIAL HOUSING FACILITIES FOR LOW- AND MIDDLE-INCOME PERSONS AND FAMILIES WITHIN THE CITY AND CERTAIN OTHER CITIES AND COUNTIES IN THE STATE OF COLORADO; APPROVING SUCH BONDS AND SUCH SINGLE FAMILY MORTGAGE LOAN PROGRAM; AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DELEGATION AND PARTICIPATION AGREEMENT AND OTHER DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, the City of Northglenn, Colorado (the "City"), and the City and County of Denver, Colorado (the "Issuer"), are each authorized by the County and Municipality Development Revenue Bond Act, constituting article 3 of title 29, Colorado Revised Statutes, as amended (the "Act"), to finance projects as defined in the Act, including residential housing facilities for low- and middle-income persons and families; and

WHEREAS, Section 29-3-104(2) of the Act provides that a county or municipality may delegate by resolution or ordinance, as the case may be, to any other county or municipality the authority to act on its behalf in the financing of projects under the Act and that any such delegation may be general or limited in scope and time, and may be irrevocable for the term or terms of any financing agreement or bond issue, all as provided in such resolution or ordinance; and

WHEREAS, the Issuer proposes to issue single family home mortgage revenue bonds pursuant to the Act and its home rule charter (the "Bonds") to finance residential housing facilities for low- and middle-income persons and families within the City and other cities and counties in the State of Colorado (the "Single Family Mortgage Loan Program"); and

WHEREAS, the City desires to delegate to the Issuer the authority of the City to finance and otherwise take action and exercise power under the Act on behalf of the City with respect to the Single Family Mortgage Loan Program within the City; and

WHEREAS, it is necessary to evidence such delegation by the execution and delivery by the City of a Delegation and Participation Agreement (the "Delegation and Participation Agreement"), by and between the City and the Issuer in substantially the form presented at this meeting;

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

Section 1. In order to facilitate the origination of single family mortgage loans within the boundaries of the City as part of the Single Family Mortgage Loan Program, the City hereby (a) delegates to the Issuer the authority of the City to finance and otherwise take action and exercise power under the Act on behalf of the City with respect to the Single Family Mortgage Loan Program within the City and (b) approves, authorizes and directs the Mayor of the City to sign and deliver and the City Clerk to attest and deliver, the Delegation and Participation Agreement in substantially the form presented at this meeting. A copy of the proposed Delegation and Participation Agreement is on file in the office of the City Clerk and is available for inspection by the public.

Section 2. The Council hereby approves the Bonds and the Single Family Mortgage Loan Program for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 3. The Mayor of the City is hereby authorized and directed to execute and deliver and the City Clerk is hereby authorized and directed to attest and deliver such other agreements and certificates and to take such other actions as may be necessary or convenient to carry out and give effect to the Delegation and Participation Agreement and this Resolution, including any agreement or certificate approving the Bonds or the Single Family Mortgage Loan Program for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 4. Nothing contained in this Resolution or the Delegation and Participation Agreement shall constitute a debt, indebtedness or multiple-fiscal year direct or indirect debt or other financial obligation of the City within the meaning of the Constitution or statutes of the State of Colorado (the "State") or the home rule charter of any political subdivision thereof, nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Section 5. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. This Resolution shall be in full force and effect upon its passage and approval.

DATED at Northglenn, Colorado, this ____ day of _____, 2005.

KATHLEEN NOVAK

Mayor

ATTEST:

APPROVED AS TO FORM:

DIANA L. LENTZ, CMC

City Clerk

HERBERT C. PHILLIPS

City Attorney

To:	The Mayor and City Council
Through:	Phil Nelson, City Manager
From:	Bob Eichem, Chief Implementation Officer
Subject:	Recycling of Private Activity Bond Allocation (PAB) for Single Family Mortgages
Date:	February 24, 2005

Recommended Action:

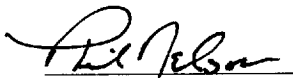
Adopt the attached resolution for the recycling of private activity bond amounts for single family mortgages that have been paid off. This action by Council will allow residents of Northglenn the opportunity to participate in this program at no cost to the City of Northglenn.

Background and Other Information

From 1998 to 2002 the City of Northglenn participated in the Metro Mayors Caucus sponsorship of Single Family Mortgage Bond Program. This was done when the city's PAB allocation was assigned to the program sponsored by the Metro Mayors Caucus. By participating in this program qualifying Northglenn residents had the opportunity to participate in the program that provided mortgage loans at below market interest rates.

Due to the reduction in interest rates over the past few years several loans have been paid off when home owners refinanced their original mortgages. Due to this the pool now has nearly \$20 million dollars that can be recycled to provide loans for new participants. By approving the attached resolution residents in the City will be able to participate in the loan program. If the resolution is not passed residents may not participate in the program. There is no cost to the city if the resolution is passed.

Respectfully submitted,



Phil Nelson
City Manager



Bob Eichem
Chief Implementation Officer

Attachment