



Board Summary Report

Date: 3/26/19

To: Board of County Commissioners

Through: Don Klemme, Community Resources Department Director

From: Linda Haley, Housing & Community Development Division Manager

Subject: Denver Metro Mortgage Plus Agreement

Request and Recommendation

At the annual meeting of the Arapahoe County Housing Authority (ArCHA) on March 26, 2019 it was recommended to move the agreement between Arapahoe County and the Denver Metro Mortgage Plus Program to the consent agenda.

Background

An annual meeting of ArCHA is required under the by-laws of ArCHA. An agenda is proposed by staff and approved by ArCHA, along with the minutes from the previous annual meeting. Historically, the Secretary of ArCHA has been the Director of the Community Resources Department. At this meeting, ArCHA receives reports on ArCHA programs and provides direction to staff on ArCHA initiatives.

Links to Align Arapahoe

1. Quality of Life. Citizens' lives may be enhanced through Arapahoe County's participation in the Denver Metro Mortgage Plus down payment assistance program.
2. Fiscal Responsibility. The federal funds used for these programs are provided to the County on a formula basis. They increase the opportunities Arapahoe County has to serve low and moderate income citizens.

Discussion

We currently participate in the Denver Metro Mortgage Plus Program. Denver has updated and made some changes to the program and is requesting that all participants sign new agreements. The current program allows assistance up to 5%, increased from 4% in the past. The loan is a no interest second loan that is forgivable after 36 months. There is no cost to Arapahoe County to participate. The program costs are covered by the value generated by the loans.

Since the inception of this program Arapahoe County has accounted for 427 program loans for a total of \$93,306,542 in originated mortgages and \$3,732,262 of actual down payment assistance. HCDS staff supports approval of this agreement.

Consent Agenda

Alternatives

The alternative would be to not make the down payment assistance program available to Arapahoe County residents.

Fiscal Impact

There is no fiscal impact to Arapahoe County to participate in the Denver Metro Mortgage Plus Program.

Concurrence

The Board of the Arapahoe County Housing Authority held their annual meeting on March 26, 2019 and approved moving this request to the Consent Agenda.

Reviewed By:

Linda Haley, Housing and Community Development Division Manager

Don Klemme, Community Resources Department Director

Janet Kennedy, Finance Department Director

Tiffanie Bleau, Assistant County Attorney

Consent Agenda

2019-__

A RESOLUTION

AUTHORIZING AND APPROVING [COUNTY]'S PARTICIPATION IN THE METRO MORTGAGE ASSISTANCE PLUS PROGRAM, AND AUTHORIZING THE EXECUTION OF THE DELEGATION AND PARTICIPATION AGREEMENT AND OTHER DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, the State of Colorado (the "State") Constitution Article XIV, Section 18(2)(a) provides that nothing in the Constitution shall prohibit any of the State's political subdivisions from cooperating with one another to provide any service lawfully authorized to each of the cooperating units; and

WHEREAS, the City and County of Denver, Colorado ("Denver") is authorized pursuant to its Home Rule Charter to promote the financing of mortgage loans for low- and moderate-income persons or families intended for use as the sole place of residence by the owners or intended occupants thereof; and

WHEREAS, Denver sponsors the Metro Mortgage Assistance Plus Program to provide competitive mortgage loans which will be coupled with down payment and closing cost assistance in connection with financing mortgage loans for low- and moderate- income persons or families intended for use as the sole place of residence by the owners or intended occupants thereof (the "Program"); and

WHEREAS, Denver has invited Arapahoe County (the "County") to participate in the Program; and

WHEREAS, the County has the full legal authority to participate in the Program pursuant to its general powers granted to it in Title 29, Article 1, Section 203 of the Colorado Revised Statutes, as amended, and Title 30, Article 11, Colorado Revised Statutes, as amended (collectively, the "Act"); and

WHEREAS, the County desires to delegate to Denver the authority of the County to take action and exercise power under the Act on behalf of the County with respect to the Program within the County's boundaries;

NOW, THEREFORE, BE IT RESOLVED BY THE [BOARD OF COUNTY COMMISSIONERS] OF THE [COUNTY]:

Section 1. In order to benefit the residents of the County, the [Board of County Commissioners] authorizes and approves its participation in the Program in connection with the financing of mortgage loans for low-and moderate-income families or persons intended for use as the sole place of residence by the owners or intended occupants thereof, and the County delegates to Denver the authority of the County to take action and exercise power under the Act on behalf of the County with respect to the Program.

Section 2. The [Arapahoe County Housing Authority_] of the County is hereby authorized and directed to execute and deliver and the [Arapahoe County Housing Authority_] is hereby authorized and directed to attest and deliver the Delegation and Participation Agreement attached hereto as Appendix A and 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 County's participation in the Program.

Section 3. Nothing contained in this Resolution or the Assignment shall constitute a debt, indebtedness or multiple-fiscal year direct or indirect debt or other financial obligation of the County within the meaning of the Constitution or statutes of the State of Colorado or the home rule charter of any political subdivision thereof, nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

Section 4. 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 5. This Resolution shall be in full force and effect upon its passage and approval.

Adopted this ___ day of [_____], 2019.

[COUNTY]

[]

[SEAL]

ATTEST:

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