

CITY COUNCIL COMMUNICATION



MEETING DATE: September 28, 2021

ITEM NUMBER: 9.B

SECOND READING:

{{customfields.ResoOrdNumber}}

TYPE OF ITEM: Consent

PRESENTED BY:

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Molly O'Donnell, HCI Division, Molly.O'Donnell@longmontcolorado.gov

SUBJECT/AGENDA TITLE:

A Resolution Of The Longmont City Council Approving The Intergovernmental Agreement Between The City And The Housing Authority Of The City Of Longmont For Debt Reduction For The Aspen Meadows Senior Apartments

EXECUTIVE SUMMARY:

This Agreement is to contract for the debt reduction payment allowed by Amendment 2020-03 to the Community Development Block Grant (CDBG) Program approved at the August 24, 2021 Council meeting. Because of significant project cost savings to the Aspen Meadows Senior Apartment's (AMSA) Relocation budget for which these funds were originally allocated, costs were able to be covered within the project's rehab budget. Therefore, Longmont Housing Authority (LHA) is requesting, and staff is recommending, that these funds be used to reduce the debt by lowering the final principal mortgage on the Aspen Meadows Senior Apartment building. This will allow additional operational funding for the development over the years resulting in about \$7,650 per year in savings.

COUNCIL OPTIONS:

1. Approve Agreement
2. Disapprove Agreement and direct staff to use the funds for other project(s).

RECOMMENDED OPTIONS:

Approve this Agreement providing a debt reduction payment to the AMSA's overall principal mortgage.

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

No impact to the General Fund – funded solely with Community Development Block Grant (CDBG) funds.

BACKGROUND AND ISSUE ANALYSIS:

NA

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ATTACHMENTS: 1) Resolution, 2) Intergovernmental Agreement, and 3) Longmont Housing Authority memo