

**TOWN OF JOHNSTOWN, COLORADO
ORDINANCE NO. 2021-219**

**AN ORDINANCE APPROVING THE LOAN AGREEMENT BETWEEN
THE TOWN OF JOHNSTOWN AND THE HOUSING AUTHORITY OF
THE TOWN OF JOHNSTOWN**

WHEREAS, the Town of Johnstown, Colorado (“Town”) is a Colorado home rule municipality, duly organized and existing under the laws of the State of Colorado and the Town’s Home Rule Charter; and

WHEREAS, the Town Council is vested with authority to administer the affairs of the Town; and

WHEREAS, on or about February 1, 1982, the Town adopted the Resolution Declaring the Need for a Housing Authority to Function in the Town of Johnstown pursuant to the Housing Authorities Law, Section 29-4-201 *et seq.*, C.R.S., and thus established the Housing Authority; and

WHEREAS, the Housing Authority is the owner of that certain real property located at 202 N. Greeley Avenue, Town of Johnstown, County of Weld, State of Colorado (“Property”); and

WHEREAS, the Housing Authority operates and manages a senior housing apartment project on the Property, known as the Columbine Complex; and

WHEREAS, on or about September 28, 1982, to acquire funding to construct the Columbine Complex, the Housing Authority obtained a 50-year loan from the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (“USDA”), pursuant to Section 515 of the Housing Act of 1949, in the amount of \$775,000.00 (“FHA Loan”); and

WHEREAS, the FHA Loan is secured by that certain Deed of Trust dated December 15, 1982, recorded on the same date in the real property records of the County of Weld, State of Colorado, at Reception No. 01911538; and

WHEREAS, the Housing Authority seeks to refinance the FHA Loan and has requested a twenty (20) year loan from the Town in the amount Three Hundred Twelve Thousand Dollars (\$312,000.00) with an interest rate commensurate with the current market rates to repay the FHA Loan; and

WHEREAS, pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Sections 29-1-201 *et seq.*, C.R.S., political subdivisions of the State of Colorado may cooperate and contract to provide any function, service or facility lawfully authorized to each of the cooperating or contracting entities; and

WHEREAS, pursuant to the Town of Johnstown Home Rule Charter (“Charter”) and Section 29-4-104, C.R.S., the Town has an interest in affordable senior housing in the Town and has the power and authority to do lawful acts in furtherance of such objective; and

WHEREAS, pursuant to Section 24-75-601.1(3), C.R.S., the Town is authorized to invest public funds in any security or other investment permitted by the Charter or an ordinance of the Town; and

WHEREAS, for the reasons set forth herein and to further the availability of affordable senior housing in the Town and accommodate the Housing Authority’s request, the Town Council desires to provide a loan to the Housing Authority in order that the Housing Authority may repay the FHA Loan, upon the terms and conditions of the Loan Agreement, attached hereto and incorporated herein by reference as Exhibit A (“Loan Agreement”); and

WHEREAS, the Town Council finds that providing a loan, as described herein, to the Housing Authority is in the best interests of the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, THAT:

Section 1. The Town Council hereby approves the Loan Agreement and, after the effective date of this Ordinance, authorizes the Mayor to sign the Loan Agreement in substantially the same form as attached hereto and to sign related documentation, if any, to effectuate the purpose of this Ordinance.

Section 2. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Home Rule Charter of the Town of Johnstown, Colorado (“Charter”) and the adoption, posting and publication shall be authenticated by the signature of the Mayor and the Town Clerk and by the Certificate of Publication. This Ordinance shall become effective upon final passage as provided by the Charter.

INTRODUCED, AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this ____ day of _____, 2021.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this ____ day of _____, 2022.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Gary Lebsack, Mayor