

**ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS**

Action Agenda Communication Form

<b>ITEM DATE:</b> January 28, 2020	<b>ITEM TIME:</b> Consent
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<b>FROM:</b>	<b>Tom Sullivan</b>
<b>TODAY'S DATE:</b>	January 20, 2020
<b>AGENDA TITLE:</b>	Northwest Colorado Loan Fund: Public Hearing of the Citizen Participation Plan and consideration to sign all documents related to Routt County participation with the Northwest Colorado Council of Government and 8 other Counties for the multijurisdictional application to the Colorado Office of Economic Development and International Trade for Community Development Block Grant Business Loan Funds and the Intergovernmental Agreement for Community Development Block Grant Business Loan Funds
<b>CHECK ONE THAT APPLIES TO YOUR ITEM:</b>	
<input checked="" type="checkbox"/> <b>X ACTION ITEM</b>	
<input type="checkbox"/> <b>DIRECTION</b>	
<input type="checkbox"/> <b>INFORMATION</b>	
<b>I. DESCRIBE THE REQUEST OR ISSUE:</b>	
<p>The Northwest Colorado Loan Fund (NLF) has existed for many years and at the current time there are 2 businesses in Routt County that have accessed the NLF. The Northwest Colorado Council of Governments (NWCOG) is applying to the Colorado Office of Economic Development and International Trade to receive Business Loan Funds and administer the NLF in Eagle, Garfield, Grand, Jackson, Moffat, Pitkin, Rio Blanco, Routt and Summit Counties.</p>	
<b>II. RECOMMENDED ACTION:</b>	
<p>Move to sign all documents related to Routt County participation with the Northwest Colorado Council of Government and 8 other Counties for the multijurisdictional Application to the Community Development Block Grant Business Loan Funds. The related documents include the Intergovernmental Agreement for Community Development Block Grant Business Loan Funds</p>	
<b>III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):</b>	
<b>PROPOSED REVENUE:</b>	NA
<b>PROPOSED EXPENDITURE:</b>	NA
<b>FUNDING SOURCE:</b>	Colorado Business Loan Fund
<b>IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):</b>	
<p>The NLF is used to fund business loans in the 9 counties of Eagle, Garfield, Grand, Jackson, Moffat, Pitkin, Rio Blanco, Routt and Summit.</p>	

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**V. BACKGROUND INFORMATION:**

The NWCOG is applying to the Colorado Office of Economic Development and International Trade for Community Development Block Grant Business Loan Funds. NWCOG is seeking the funds to take on administration of the NLF in 9 northwest Colorado Counties. The amount of the grant application is \$650,000 that includes \$140,000 in current NLF cash reserves and \$104,000 to administer the NLF. The application budget is on pages 4 and 5 of the grant application that is included with this communications form.

Along with the CDBG Loan Funds application and the IGA which authorizes the NLF to provide loans to businesses in Routt County, the other documents that are included are the Application Statement of Assurances and Certifications for CDBG Business Loan Funds, Citizen Participation Plan for CDBG Business Loan Funds, and the Residential Antidisplacement and Relocation Assistance Plan for CDBG Business Loan Funds.

All borrowers for the Community Development Block Grant (CDBG) or Micro Enterprise Program (MEP) Creation/Retention Method will be required to demonstrate how they will create or retain jobs. The goal of the NWCCOG and the Northwest Loan Fund program (“NLF”) is to create or retain 1 job for every \$20,000 loaned. The ratio of 1 job/\$20,000 loaned may be flexible as long as the overall State contract requirements of jobs per NLF dollars loaned is met.

Loan application fees shall be 2% of the loan amount as an origination fee to assist in loan package preparation, payable from loan proceeds at time of closing. Funds for the CDBG and MEP programs can be used to finance the following: capital equipment, inventory, working capital, purchase of existing buildings, other fixed assets, equity participation in exchange for business shares or royalty payments, refinance of existing debt (must demonstrate special need), and construction of new facilities and renovation of interiors and exteriors (discouraged due to David-Bacon Wage and other Federal Requirements).

**VI. LEGAL ISSUES:**

County Attorney Erick Knaus has reviewed all of the documents and he and I have met discuss the CDBG process.

**VII. CONFLICTS OR ENVIRONMENTAL ISSUES:**

NA

**VIII. SUMMARY AND OTHER OPTIONS:**

There is one business in Routt County that has received a NLF loan and agreeing to participate in the program will allow that loan to remain in good standing.