

**TOWN OF NEDERLAND  
Boulder County, Colorado**

**RESOLUTION 2012 – 22**

**A RESOLUTION OF THE TOWN OF NEDERLAND'S BOARD OF TRUSTEES  
AUTHORIZING A LOAN FROM FUND BALANCE IN THE TOWN'S WATER FUND  
TO THE DOWNTOWN DEVELOPMENT AUTHORITY (DDA) FUND, AND  
PROVIDING FOR REPAYMENT OF THE LOAN FROM THE DDA'S TAX  
INCREMENT FINANCING RECEIPTS**

**WHEREAS**, the Board of the Nederland Downtown Development Authority ("DDA") has determined that, in order to support future projects associated with its approved Plan of Development, the DDA should refinance its current loan with Mutual of Omaha that was taken out for Sidewalks Phase 1, and has a balloon payment due on October 16, 2014, and carries an interest rate of 7%; and

**WHEREAS**, pursuant to C.R.S. § 31-25-808(1)(g), the DDA is authorized to receive contributions, loans and other rights and privileges from the municipality or county in which it is located; and

**WHEREAS**, the net cost of the loan refinancing payable from a special fund of the Town of Nederland ("Town") for the payment of principal and interest on such advances or loans is expected to be approximately \$265,596; and

**WHEREAS**, the DDA Fund must receive an advance or loan of money to accomplish the refinancing, and

**WHEREAS**, at an election held on April 2, 2012, the voters authorized the Town to borrow up to \$913,589, repayable only from tax increment revenues collected within the DDA and revenues derived by the Town pursuant to the DDA plan of development; and

**WHEREAS**, of that authorized amount, \$319,589 has been issued, leaving remaining authorization of \$596,000; and

**WHEREAS**, a loan from the Town Water Fund could be accomplished at less administrative and financing cost to the DDA than a publicly financed debt; and

**WHEREAS**, the Town Water Fund balance can provide the necessary funding without hampering the operations or replacement schedules of the Water Fund; and

**WHEREAS**, the Town Board of Trustees has therefore determined that it is in the best interest of the Town to loan a portion of the fund balance in the Town's Water Fund to the DDA Fund, the loans bearing interest at the WSJ's published prime rate.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF  
THE TOWN OF NEDERLAND, COLORADO:**

**Section 1.** The Board of Trustees of the Town of Nederland hereby authorizes a loan from the fund balance in the Town's Water Fund in the amount of \$248,500 to the DDA Fund, which loan shall bear interest at the WSJ's current prime rate not to exceed 7% and not fall below 2.5%, for the purposes of refinancing the DDA's current loan with Mutual of Omaha that was taken out for Sidewalks Phase 1 and which has a balloon payment due on October 16, 2014 and carries an interest rate of 7%.

**Section 2.** The Town Treasurer shall repay this loan in monthly installments over a four year period, with accrued interest, from the DDA Tax Increment Financing receipts to the Water Fund by July 6, 2016.

**RESOLVED, APPROVED and ADOPTED** this 3<sup>rd</sup> day of July, 2012.

TOWN OF NEDERLAND

By:

  
Joe Gierlach, Mayor

ATTEST:

  
Teresa Myers, Town Clerk



**Attachment A**

**DDA LOAN - AMORTIZATION SCHEDULE**

|                      |                     |
|----------------------|---------------------|
| Mutual of Omaha Loan | <b>\$248,500.00</b> |
| Start Date           | 7/6/2012            |
| Monthly Payment      | \$5,533.26          |
| Interest Rate        | 3.25%               |
| Term in Years        | 4                   |

***No Prepayment Penalty***

|    |           | Total<br>Payment | Interest<br>Payment | Principal<br>Payment | Remaining<br>Principal |
|----|-----------|------------------|---------------------|----------------------|------------------------|
| 1  | 8/6/2012  | 5,533.26         | 695.45              | 4,837.80             | 243,662.20             |
| 2  | 9/6/2012  | 5,533.26         | 681.92              | 4,851.34             | 238,810.86             |
| 3  | 10/6/2012 | 5,533.26         | 646.78              | 4,886.48             | 233,924.38             |
| 4  | 11/6/2012 | 5,533.26         | 654.66              | 4,878.59             | 229,045.78             |
| 5  | 12/6/2012 | 5,533.26         | 620.33              | 4,912.93             | 224,132.86             |
| 6  | 1/6/2013  | 5,533.26         | 627.26              | 4,906.00             | 219,226.86             |
| 7  | 2/6/2013  | 5,533.26         | 613.53              | 4,919.73             | 214,307.13             |
| 8  | 3/6/2013  | 5,533.26         | 541.72              | 4,991.54             | 209,315.60             |
| 9  | 4/6/2013  | 5,533.26         | 585.79              | 4,947.46             | 204,368.13             |
| 10 | 5/6/2013  | 5,533.26         | 553.50              | 4,979.76             | 199,388.37             |
| 11 | 6/6/2013  | 5,533.26         | 558.01              | 4,975.25             | 194,413.12             |
| 12 | 7/6/2013  | 5,533.26         | 526.54              | 5,006.72             | 189,406.40             |
| 13 | 8/6/2013  | 5,533.26         | 530.07              | 5,003.18             | 184,403.22             |
| 14 | 9/6/2013  | 5,533.26         | 516.07              | 5,017.18             | 179,386.03             |
| 15 | 10/6/2013 | 5,533.26         | 485.84              | 5,047.42             | 174,338.61             |
| 16 | 11/6/2013 | 5,533.26         | 487.91              | 5,045.35             | 169,293.26             |
| 17 | 12/6/2013 | 5,533.26         | 458.50              | 5,074.76             | 164,218.51             |
| 18 | 1/6/2014  | 5,533.26         | 459.58              | 5,073.67             | 159,144.83             |
| 19 | 2/6/2014  | 5,533.26         | 445.38              | 5,087.87             | 154,056.96             |
| 20 | 3/6/2014  | 5,533.26         | 389.42              | 5,143.84             | 148,913.12             |
| 21 | 4/6/2014  | 5,533.26         | 416.75              | 5,116.51             | 143,796.61             |
| 22 | 5/6/2014  | 5,533.26         | 389.45              | 5,143.81             | 138,652.81             |
| 23 | 6/6/2014  | 5,533.26         | 388.04              | 5,145.22             | 133,507.58             |
| 24 | 7/6/2014  | 5,533.26         | 361.58              | 5,171.67             | 128,335.91             |
| 25 | 8/6/2014  | 5,533.26         | 359.16              | 5,174.10             | 123,161.81             |
| 26 | 9/6/2014  | 5,533.26         | 344.68              | 5,188.58             | 117,973.24             |
| 27 | 10/6/2014 | 5,533.26         | 319.51              | 5,213.75             | 112,759.49             |
| 28 | 11/6/2014 | 5,533.26         | 315.57              | 5,217.69             | 107,541.80             |
| 29 | 12/6/2014 | 5,533.26         | 291.26              | 5,242.00             | 102,299.80             |

|    |           |          |        |          |           |
|----|-----------|----------|--------|----------|-----------|
| 30 | 1/6/2015  | 5,533.26 | 286.30 | 5,246.96 | 97,052.84 |
| 31 | 2/6/2015  | 5,533.26 | 271.61 | 5,261.64 | 91,791.20 |
| 32 | 3/6/2015  | 5,533.26 | 232.03 | 5,301.23 | 86,489.97 |
| 33 | 4/6/2015  | 5,533.26 | 242.05 | 5,291.21 | 81,198.76 |
| 34 | 5/6/2015  | 5,533.26 | 219.91 | 5,313.34 | 75,885.42 |
| 35 | 6/6/2015  | 5,533.26 | 212.37 | 5,320.88 | 70,564.53 |
| 36 | 7/6/2015  | 5,533.26 | 191.11 | 5,342.15 | 65,222.39 |
| 37 | 8/6/2015  | 5,533.26 | 182.53 | 5,350.73 | 59,871.66 |
| 38 | 9/6/2015  | 5,533.26 | 167.56 | 5,365.70 | 54,505.96 |
| 39 | 10/6/2015 | 5,533.26 | 147.62 | 5,385.64 | 49,120.33 |
| 40 | 11/6/2015 | 5,533.26 | 137.47 | 5,395.79 | 43,724.54 |
| 41 | 12/6/2015 | 5,533.26 | 118.42 | 5,414.84 | 38,309.70 |
| 42 | 1/6/2016  | 5,533.26 | 107.21 | 5,426.04 | 32,883.66 |
| 43 | 2/6/2016  | 5,533.26 | 92.03  | 5,441.23 | 27,442.43 |
| 44 | 3/6/2016  | 5,533.26 | 71.85  | 5,461.41 | 21,981.01 |
| 45 | 4/6/2016  | 5,533.26 | 61.52  | 5,471.74 | 16,509.27 |
| 46 | 5/6/2016  | 5,533.26 | 44.71  | 5,488.55 | 11,020.73 |
| 47 | 6/6/2016  | 5,533.26 | 30.84  | 5,502.42 | 5,518.31  |
| 48 | 7/6/2016  | 5,533.26 | 14.95  | 5,518.31 | 0.00      |