



# Town of Breckenridge

## Employee Rental Deposit Assistance Program

### Purpose of Program

The purpose of the ERDAP is to assist qualified Town of Breckenridge employees with rental deposit assistance for a residence within a reasonable commuting distance of their jobs. The Town of Breckenridge recognizes that the high cost of rental property in Breckenridge and Summit County makes it difficult for employees to acquire sufficient cash resources to cover the typically required first month's rent, last month's rent, and security deposit upon moving into a rental property. The ERDAP helps the Town of Breckenridge attract and retain the most qualified employees, by providing rental deposit assistance. It is our hope that through this program we can reduce employee turnover that is related to the high cost of living and the challenge of obtaining affordable housing.

### Eligibility

Regular Full Time and Regular  $\frac{3}{4}$  Time employees are eligible to apply for the ERDAP.

### Program Description

The Town of Breckenridge will provide an ERDAP Loan to eligible employees in an amount of up to 75% of the deposit required upon move-in, with a maximum of \$2,500. This money is for the sole purpose of rental deposit assistance. This loan is offered at zero percent (0%) interest. Repayment will be via automatic payroll deductions, with a maximum length of time being the term of the lease or one (1) year (26 pay periods), whichever is shorter.

### Terms of Agreement

- Rental property must be primary residence.
- The amount available is 75% of the rental deposit required from landlord upon move-in, not to exceed \$2,500.
- Original lease must be provided as proof, prior to approval and release of ERDAP loan.
- If the rental property is shared with other unrelated person(s), the ERDAP shall be prorated accordingly.
- Zero percent (0%) interest will accrue.
- The ERDAP loan borrowed must be paid in full within the term of the lease, not to exceed 12 months.

- A shorter repayment schedule may be elected.
- Repayments will be via automatic payroll deductions.
- Employees must be Regular Full Time or Regular ¾ Time, and remain in that status. Any change in “Regular” employment status will result in payment in full within seven (7) days of status change.
- If an employee leaves Town employment prior to the loan being paid, the unpaid balance of the loan becomes due and payable and may be deducted from the employee’s final compensation. Unless otherwise paid, the loan is due and payable in full seven (7) days after an employee leaves Town employment. If an employee’s loan goes into default, interest at the legal rate of eight percent (8%) per annum shall begin to accrue. The employee is obligated to pay the Town’s attorney’s fees and court costs if it is necessary to commence legal action to collect the loan.
- If termination of said lease on said property should occur, The Town may require all monies to be due in full upon lease termination within seven (7) days.
- ERDAP may **not** be used in conjunction with Town of Breckenridge transitional housing units.
- If the prior criteria have not been followed, employees will only be able to use the ERDAP once!

## Procedure

To participate in the ERDAP, an employee can obtain an Application and Payroll Deduction Authorization Form and Promissory Note for Town of Breckenridge Employee Rental Deposit Assistance Program from Human Resources.

1. The employee must complete the Application and Payroll Deduction Authorization Form and return to HR with information on the rental property, landlord, deposit amount requested, and original lease. Original lease will be copied and original returned to employee.
2. Human Resources will determine eligibility and approval.
3. Once approval is determined, the employee must complete and sign the Promissory Note (*Town of Breckenridge Employee Rental Deposit Assistance Program*). The employee will agree to pay a prorated amount of the deposit each pay period. Once deductions accumulated are equal to the ERDAP amount, the agreement is fulfilled.
4. HR will create a Pay Requisition and submit to Finance Accounts Payable. Deadlines are typically Tuesday by noon for payment that Friday.
5. Copy of Lease, Promissory Note and Rental Assistance Application and copy of the Application and Payroll Deduction Authorization will be filed in Employees Blue Benefits file under “Other”. The original Application and Payroll Deduction Authorization Form shall be forwarded to Payroll.



## Employee Rental Deposit Assistance Program Application and Payroll Deduction Authorization Form

Employee Name: \_\_\_\_\_

Employment Status: \_\_\_\_\_

Date of Employment: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Cell: \_\_\_\_\_

Landlord Name: \_\_\_\_\_

Landlord Telephone Number: \_\_\_\_\_

Property Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Landlord Required Rental Deposit Amount: \$ \_\_\_\_\_

Requested Rental Deposit Assistance Amount: \$ \_\_\_\_\_

Monthly Rent Amount \$ \_\_\_\_\_

Number of Unrelated Persons Sharing Unit: \_\_\_\_\_

### Payroll Deduction Authorization

For the purpose of paying my Promissory Note (Town of Breckenridge Employee Rental Deposit Assistance Program) of this date, I irrevocably authorize the Town of Breckenridge to withhold an amount totaling \$ \_\_\_\_\_ from my paychecks over the next \_\_\_\_\_ pay periods. These automatic payroll deductions will be in the amount of \$ \_\_\_\_\_ per pay period for \_\_\_\_\_ number of pay periods. I hereby have read and agree to all the terms of the Employee Rental Deposit Assistance Program.

Employee Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Human Resources' Approval: \_\_\_\_\_

Date: \_\_\_\_\_

Submitted to Payroll on this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_\_ for commencement of automatic payroll deductions beginning pay period # \_\_\_\_\_.

**PROMISSORY NOTE**

*(Town of Breckenridge Employee Rental Deposit Assistance Program)*

\$ \_\_\_\_\_ Breckenridge, Colorado \_\_\_\_\_, 201\_\_

FOR VALUE RECEIVED, the undersigned (“Maker”) promises to pay to the order of the TOWN OF BRECKENRIDGE, a Colorado municipal corporation (“Town”), at 150 Ski Hill Road, P.O. Box 168, Breckenridge, Colorado 80424, the sum of \$ \_\_\_\_\_ - \_\_\_\_\_, without interest. Such sum shall be paid through payroll deduction from Maker’s wages earned from the Town in \_\_\_\_\_ consecutive bi-weekly installments of \$ \_\_\_\_\_, commencing \_\_\_\_\_, 201\_\_ and continuing each bi-week thereafter until Note is fully paid.

Notwithstanding any other provision of this Note, it is agreed that if Maker’s employment with the Town ends for any reason whatsoever prior to the full payment of this Note, then the entire unpaid balance of this Note shall become due and payable immediately. In such event, the entire unpaid balance of this Note may lawfully be deducted by Town from any compensation which is due to Maker upon the ending of Maker’s employment with the Town. If not sooner paid, this Note shall be due and payable in full, without notice or demand, seven (7) days after Maker’s employment with the Town ends.

Maker shall have the right to prepay this Note at any time without penalty.

It is agreed that if any default occurs, and following maturity, interest on the entire outstanding principal balance shall thereafter accrue at the default rate of eight per cent (8%) per annum until paid, and that the failure to make any payment when due shall cause the entire unpaid balance of the Note to be due and payable at once. The Maker agrees to pay all costs of collection, including reasonable attorney’s fees and court costs, incurred by the Town in the collection of this Note.

Maker hereby waives notice of demand, presentment for payment, notice of nonpayment and protest, and any and all notice of whatever kind or nature.

No waiver by the Town of any one or more of the terms and conditions herein contained shall be deemed a waiver of the other terms and conditions herein contained; nor shall any such waiver be considered for any reason as continuing or perpetual in nature.

The undersigned hereby acknowledges receipt of a true copy of this Note.

\_\_\_\_\_  
Maker’s Signature

\_\_\_\_\_  
Date

\_\_\_\_\_

\_\_\_\_\_  
Date

WITNESS TO SIGNATURE Human Resources Representative