

AGENDA

URA Finance Committee

July 16, 2019

11:00 am -12:00 pm

1. Minutes May 14, 2019
2. Mall & Midtown Financial Overviews

Other Business:

URA 6-MONTH PLANNING CALENDAR

July 2019 – December 2019

Created: 7/9/2019 4:18 PM

CALENDAR SUBJECT TO FREQUENT CHANGES

Email URA Staff for up-to-date information: URABoardInfo@fcgov.com

“The mission of the Urban Renewal Authority is to remedy blight, using Tax Increment Financing, to leverage private capital investment, and stimulate sustainable development and public improvement projects.”

BOARD OF COMMISSIONERS:

Wade Troxell, Chair
Ross Cunniff, Vice Chair
Christophe Febvre
Emily Gorgol
Susan Gutowsky
Steve Johnson

Julie Pignataro
Andy Smith
Kristin Stephens
Ken Summers
Joe Wise

(Items are listed in no particular order)

URA Board Meeting	Selection Committee	Planning & Zoning Board
Plan Area Review Committee	URA Finance Committee	City Council Meeting
Public Open House	City Council Finance Committee	Legal Contract Review Committee

Meeting Info	Agenda Item	The purpose of this item is to...
July 16 Time: 11:00am Location: CIC	URA Finance Committee: Minutes (consent)	Agenda: URA Finance Committee to approve the minutes of the May 14, 2019 meeting
	Mall & Mid-Town Financial Overviews	Overview of Mall & Mid-Town Financial Overview
July 25 Time: 3:00pm Location: CIC	URA Board Meeting: Minutes (consent)	Agenda: URA Board Meeting to approve minutes of the March 28, 2019 and April 24, 2019 meetings
	Adopt a Plan Area	Adoption of Drake and College Urban Renewal Plan Area
	Staff Update: Mediation	Staff to update URA Board on mediation between URA and Poudre School District
August 14 Time: 1:00pm Location: CIC	URA Finance Committee: Minutes (consent)	Agenda: URA Finance Committee to approve the minutes of the July 16, 2019 meeting
	501 Spaulding – Watermark	Discuss possible TIF participation in a private development project
August 20 Time: 11:00am Location: CIC	URA Legal Contract Review Committee: Minutes (consent)	Agenda: URA Legal Contract Review Committee to approve the minutes of the May 22, 2019 meeting

URA Board Meeting	Selection Committee	Planning and Zoning Board
Plan Area Review Committee	URA Finance Committee	City Council Meeting
Public Open House	City Council Finance Committee	URA Legal Contract Review Committee

Meeting Info	Agenda Item	The purpose of this item is to...
	URA Legal Representation	Discuss Brownstein Hyatt Farber Schreck contract and legal representation with URA
August 22 Time: 7:30am-11:30am Location: Block 1 Events 428 Linden St. Fort Collins, CO 80524	URA Board Meeting	URA Board Half Day Retreat: Strategic Planning Session
	Strategic Planning Session	Set URA Board Goals & Visions for 2019-2020
August 22 Time: 3:00pm Location: CIC	URA Board Meeting CANCELED	Agenda: TBD
September 11 Time: 2:00pm Location: CIC	URA Finance Committee: Minutes (Consent)	Agenda: URA Finance Committee to approve the minutes of the August 14, 2019 meeting
	N. College CAG	N. College Citizens Advisory Group (CAG) meeting with the URA Finance Committee
	2020 URA Budget Format Overview	Overview of the 2020 URA Budget Overview

URA Board Meeting	Selection Committee	Planning and Zoning Board
Plan Area Review Committee	URA Finance Committee	City Council Meeting
Public Open House	City Council Finance Committee	URA Legal Contract Review Committee

Meeting Info	Agenda Item	The purpose of this item is to...
September 26 Time: 3:00pm Location: CIC	URA Board Meeting	Agenda: TBD
	URA IGA with CITY	Discussion of potential changes to the URA's IGA with the City
October 14 Time: 2:00pm Location: CIC	URA Finance Committee	Agenda: URA Finance Committee to approve the minutes of the September 11, 2019 meeting
October 24 Time: 3:00pm Location: CIC	URA Board Meeting	Agenda: TBD
November 7 Time: 3:00pm Location: CIC	URA Board Meeting	Agenda: TBD
November 13 Time: 2:00pm Location: CIC	URA Finance Committee	Agenda: TBD

URA Board Meeting	Selection Committee	Planning and Zoning Board
Plan Area Review Committee	URA Finance Committee	City Council Meeting
Public Open House	City Council Finance Committee	URA Legal Contract Review Committee

Meeting Info	Agenda Item	The purpose of this item is to...
December 3 Time: 11:00 am Location: CIC	URA Finance Committee	Agenda: TBD
December 4 Time: 2:00pm Location: CIC	URA Board Meeting	Agenda: TBD

UNSCHEDULED OR UPCOMING ITEMS

Item	Purpose of Item
URA Budget Review/Approval Prospect & College Project (S. Prospect) King Soopers Project Adopt Plan Area at Drake and College Watermark Proposal – 501 Spaulding 2020 URA Budget Format	Revise the budget process and provide new management reporting Discuss possible TIF participation in a private development project Discuss possible TIF participation in a private development project Adopt an Urban Renewal Plan area at Drake and College Ave Watermark proposal in North College 2020 URA Budget Format

URA Board Meeting	Selection Committee	Planning and Zoning Board
Plan Area Review Committee	URA Finance Committee	City Council Meeting
Public Open House	City Council Finance Committee	URA Legal Contract Review Committee

URA Finance Committee
 Agenda Planning Calendar 2019-2020
 RVSD 7/9/2019 mnb
 Location: CIC Room
 (Agenda Items listed in no particular order)

July 16 th	Meeting Time: 11:00am		
	Mall & Mid-Town Financial Overviews	60 min	Rachel Rogers

August 14 th	Meeting Time: 1:00pm		
	501 Spaulding – Watermark Proposal	60 min	Pat Smith

September 11 th	Meeting Time: 2:00pm		
	N. College CAG meeting the URA Finance Committee	20min	Clay Frickey
	2020 URA Budget Format Overview	40min	Rachel Rogers

Future Council Finance Committee Topics:

- Projected sales tax revenue Spradley-Barr-Mazda (?)
- 2020 URA Budget format
- URA IGA Allocations
- URA Insurance & Purchasing Power
- URA Finance and Bond Council update

URA Finance Committee Meeting Minutes
5/14/19
11am -12pm
CIC Room – City Hall

URA Committee Attendees: Darin Atteberry, Ross Cunniff, Ken Summers, Joe Wise, Christophe Febvre

Staff: Darin Atteberry, Jeff Mihelich, Jacqueline Kozak-Thiel, Josh Birks, Jennifer Baker, Clay Frickey, Mike Beckstead, Rachel Rogers, Victoria Shaw

Others:

URA Finance Committee Meeting: 5/14/19
Call Meeting to order: 11:07am

Item #1: Minutes 3/19/19. Ross motioned, Febvre seconded- motion passed unanimously.

A. NORTH COLLEGE FINANCIAL OVERVIEW

EXECUTIVE SUMMARY

The purpose of this item is to provide the Fort Collins Urban Renewal Authority (the "Authority") Finance Committee (the "Committee") an update on the financial status, commitments and revenue of the North College URA.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Does the Committee have any questions about the information presented?
2. Does the Committee feel the Board will need additional information about the information presented?

BACKGROUND/DISCUSSION

Staff plans to update the Board regularly on the financial status of the current three URA's, starting with the North College URA. We believe this is important for transparency, and to confirm to the Board that staff is closely tracking the finances of the URAs.

NORTH COLLEGE YRA FINANCIAL OVERVIEW

Revenue

- Total TIF revenue collected through 2019 is \$13.1M.
- Additional revenue forecasted through 2030 (2029 tax increment) is \$24.0M.
⇒ Assumes a 2% property tax increase every other year.
- Other revenue (interest, etc.) totals \$0.5M for 2014-2029.

Expenses

Operating

- Operating expenses consist of personnel costs, good and services, bank fees and the fee from the County for tax collection (2% of TIF revenue).
- The North College URA has been paying for personnel costs, good and services, and bank fees for the Midtown and Mall URAs due to limited cash flow for those URAs. The North College URA will be reimbursed by the other URAs and those dollars are included in the analysis.

Reimbursement Agreements

- Hickory Commons – The Authority shall pay to the Developer fifty percent (50%) of the Tax Increment that was generated from the Property and paid for the previous calendar year up to maximum eligible costs of \$136,072. There has been no increment generated to-date, so no payments have been made. In addition, the Authority will pay \$1,361 to the developer if/when the developer delivers the Energy Star Certification to the Authority, which must be within two years of the date that a Certificate of Occupancy for the Buildings has been issued by the City to the Developer.
- Lyric – The Authority shall pay to the Developer fifty percent (50%) of the Tax Increment that was generated from the Property and paid for the previous calendar year up to maximum eligible costs of \$252,650. The first \$43,650 in revenue goes back to the City for ROW repay obligation.
- Feeders Supply – The Authority shall pay to the Developer fifty percent (46%) of the Tax Increment that was generated from the Property and paid for the previous calendar year up to maximum eligible costs of \$72,472. In addition, the Authority will pay \$1,584 to the developer if/when the developer delivers the Energy Star Certification to the Authority, which must be within two years of the date that a Certificate of Occupancy for the Buildings has been issued by the City to the Developer.
- Aspen Heights – The Authority shall pay to the Developer fifty percent (50%) of the Tax Increment that was generated from the Property and paid for the previous calendar year up to maximum eligible costs of \$894,287. This property was sold on 12/13/2016, and as per section 2.9 of the Redevelopment Agreement, developer was required to get approval from the URA for the sale. This condition was not met, therefore no payments will be made on this agreement.

Capital

- Whitewater Park - In 2018, the URA contributed \$300k to this project (ordinance 2018-058).
- North College Drainage Improvement District, Phase 1- In 2019, the URA budgeted a contribution of \$300k to this Stormwater project to complete the preliminary stormwater project. This project is located at North Mason Street (Alpine Street to Hickory Street), along with Alpine Street, Pinon Street and Hemlock Street (Mason Street to North College Avenue). This was part of the 2019-2020 BFO process.

Debt Service

- Loan from General Fund to URA for RMI2 – RMI2 repaid part of the loan to the URA, while the URA “forgave” the remainder of the loan. The URA is paying the remaining debt service to the General Fund for that loan with a principal amount of \$2,035,211. Debt service is due through 2024.



- In 2013, the URA consolidated and refinanced its outstanding debt with the General Fund and the Stormwater Fund. Total debt is \$11.085M, with final debt service payment made in 2029. The URA is required to keep a year's debt service in the restricted fund balance

	2018	2019	2020	2021	2022
Revenue					
Property Tax Increment	1,841,552	1,978,124	2,037,468	2,037,468	2,098,592
Interest on Balances	37,116	21,717	22,662	20,000	19,000
Total Revenue (Cash Inflow)	\$1,878,668	\$1,999,841	\$2,060,130	\$2,057,468	\$2,117,592
Expense					
Operating	229,311	395,143	405,749	412,999	421,617
Reimbursement Agreements	4,817	21,398	21,832	21,832	22,492
Sub-total Operating	234,128	416,541	427,581	434,831	444,109
Capital Project Contributions					
Whitewater Park	300,000				
Stormwater (west side of College)		300,000			
Sub-total Capital	300,000	300,000	0	0	0
Debt Service					
URA payment to City (RMI)	359,503	367,195	367,029	375,021	374,841
Principal	252,333	266,692	273,360	288,567	295,781
Interest	107,170	100,503	93,669	86,454	79,060
URA payment on outside debt	946,813	948,963	944,363	948,963	947,363
Principal	595,000	615,000	635,000	665,000	690,000
Interest	351,813	333,963	309,363	283,963	257,363
Sub-total Debt Service	1,306,316	1,316,158	1,311,392	1,323,984	1,322,204
Total Cash Outflow	\$1,840,444	\$2,032,699	\$1,738,972	\$1,758,814	\$1,766,312
Net Change in Cash	38,225	(32,858)	321,157	298,653	351,280
Prior year ending cash position	1,372,680	1,410,905	1,378,047	1,699,204	1,997,858
Ending Cash	\$1,410,905	\$1,378,047	\$1,699,204	\$1,997,858	\$2,349,137
<i>Owed from other URA Funds</i>	<i>600,000</i>	<i>692,520</i>	<i>892,198</i>	<i>1,097,425</i>	<i>1,306,756</i>
<i>Restricted Fund Balance</i>	<i>(948,963)</i>	<i>(944,363)</i>	<i>(948,963)</i>	<i>(947,363)</i>	<i>(944,763)</i>
Available Fund Balance	\$1,061,942	\$1,126,204	\$1,642,440	\$2,147,920	\$2,711,131
Projected Ending Balance 2030	\$12,356,398				
<i>this includes operating payback from other URAs</i>					
Outstanding Debt Balances					
URA to City (RMI2)	1,782,878	1,516,186	1,242,826	954,259	658,478
URA to bondholders	8,265,000	7,650,000	7,015,000	6,350,000	5,660,000
Total	10,047,878	9,166,186	8,257,826	7,304,259	6,318,478

In 2023 the cash balance is larger than the total remaining debt owed.

Assumptions:

- 2% growth in property tax TIF every other year.

- URA ceases operation 12/20/2029.
- 2029 property tax TIF will be received in 2030.
- No repayment to Aspen Heights.

ATTACHMENTS

1. 2018-2022 Excel File
2. 2018 Word explanation file

DISCUSSION

College & Drake Urban Renewal Plan Update – Tax Allocation Agreements

URA Finance Committee Meeting – May 14, 2019

Meeting started: 11:07am

Cunniff moved to adopt March 19, 2019 meeting minutes, Febvre seconded.

Josh; Quick agenda item. Follow up to statements from last October. Today we have a new format to present to you. We'd like to use this format to start making things clearer towards what's going on in with URA financial reporting. Rachel did all the work on this and will be here to answer specific questions.

Cash flow statement, these are the un-audited numbers for 2019. Top is revenue, primarily property tax increment for North College. North College carries the debt for all of the districts within it. We've talked about finding a way to separate the districts. Right now, these are units of their own fund, we are evaluating right now on what makes the most sense moving forward, such as separating the funds into its own unit or keeping it all together.

Febvre; Why do you want to see this differently? Where are you going and why? To better understand the operating costs, it's all the same department doing the operations? Yes. Can you shift funds between URAs or are they clean boundaries?

Josh; There's two pieces of operation. North College is the first district that has ever been created, it has historically carried all of the costs. We cannot and do not comingle funds between the TIF districts. What I don't know the answer to, is if one district can lend money to another. We have had conversations with the City and the City lending funds.

Darin; The question is, are they reasonably covering their own costs.

Mike; North College, has been building up a receivable because they were the first and covered it all. This will eventually make the North College whole relative to the operational costs of staffing that it has covered since the beginning.

Cunniff; So, whether we have asked the question or not, we have been lending?

Josh; Yes, but to make it correct we are going through this process for better accounting rigor. We track our time as staff to figure out how much time we are investing and other operating static operational costs are disbursed, we then create a ratio and figure out the amount of Urban Renewal by district.

Wise; If this was a business, we would be reporting operations, expense by project and then consolidated for North College?

Josh; This is why we are transitioning. Eventually North College will go away, and we will lose our ability to use TIF. We need to be able to pull out and see the operations separately so that we won't be perpetuating TIF in the North College area simply for operations.

Wise; I think there's a lot of value in seeing the projects separately. There's no other way to see a clear cost/benefit analysis otherwise. This format gets us toward an accurate cost for each of our districts.

Josh; The other reason we want to present this like this, is because the loans between the City and the URA show the full balance of the loan carried each year. In our October Budget discussions in October, a lot of our funding balances looked like we have available loan balances when really, they were negative because of the blended component unit projection. We are now trying to show this from more of a management perspective that gives us a better sense of the debts and available fund balance as if the URA were a standalone entity. This gives the URA a better overall sense of debt vs. available funds.

Mike; One of the nuances we have here is that, we have a URA policy around TIF that specifies 50 or 75% TIF and gives priorities as opposed to giving a lump sum up front. We started the first couple of projects without this policy. Now looking at reimbursement agreements, if it's paid overtime it's falling into the operation expense line item because we give them a portion of TIF. We are shifting this to be more of the norm. In some of these there are sharing agreements between the City and the URA. Most of the nuances are reflective of the ways that we manage TIF.

Troxell; What about the snapshot of the declining URA time frame and how that plays into opportunity costs? There are multiple variables that need to be balanced to opportunities.

Josh; This cash flow statement runs out through the end of the district. In North College, we are seeing revenue build up over time more funds to address the blight. This Board will ultimately have to decide, what is the best way to do this? In the final 10 years of the North College district, we might want to think about creating legacy. We have more than 10 years worth of work to do, so we may want to look at strategic investments now and revenue streams that go beyond the TIF.

Wise; But we have a full printout that shows the end of the project?

Rachel; Yes. We did this for all three of the URAs. We really looked at the cash flow and what the anticipated TIF would be overtime at a 2% increase every other year. This is how we determined revenue. The debt service, reimbursements agreements and operating expenses we know. We showed all of these through the end of the life cycle for all three URAs.

Mike; I would want to point out to you that 12.4 is the forecasted fund balance by 2030, this committee has the opportunity of what to do with this. This number has grown a lot, particularly in the last 2 years.

Cunniff; I believe one option is to refund this to the affected taxing entities, correct?

Josh; Yes, but it will be up to the Board to decide what it wants to do with the money. My hope is that during the retreat, we as staff can help the board better question what would characterize as broader community benefits. Some of the district areas predate HB 15-1348. Right now, as long as there is blight to be remedied, the URA can continue to deliver on its objectives.

Febvre; Is there a distinction between the North College URA and current make-up of the board?

Josh; North College predates HB 15-1348 so all of the increment flows directly towards the URA Authority. The board ultimately decides on what to do with the increment, this would be the full expanded URA Board.

Cunniff; In addition to the community benefit, I'd like to know projected maintenance costs of the things that we put in.

Josh; 2.7 million in funding went into funding the local street portion of Vine and Hickory. Without the URA, this money would've had to come from City transportation funding. In this case, the URA fronted the money in for the project. As a board we get to decide on what we want to do with the repayment? Waive it? Collect it all of it? If we collect it then we can reinvest it towards other improvements, this will be up to the Board to decide. That repay exists beyond the end of TIF, the money can be used to create revenue and continue to address blight issues of the site.

Troxell; In 2030, if there is still a 12.4 mill in there. Does it go away or you're just no longer collecting? When there is an afterlife with the districts, what does the afterlife look like?

Josh; Any fund balance that is just increment has to be refunded back to the district if it's not used by the end of the district.

Wise; This money, such as the 12.4million, could go far in building a library in the area.

Josh; There's a number of opportunities that could be catalyst on North College with this money. I am excited to hear ideas from the Board on how we can move forward. Our chair brought up that we still have 10 years left to create more increment. We could consider what we can do with what we have to generate more increment to do more things. In North College, we are starting to develop a high amount of increment that we can strategically use to generate more, improve the area, increase livability of the area and remedy blight. Our retreat will be geared more towards the beginning of guiding principals of what community benefits means for the Board.

Troxell; In the retreat, I would like to look at how we can leverage this to enable a lot more, so it's more of a 1:10 benefit well beyond the 1:1. I would like to use the URA to enable a lot more, and to Ross's point, we need to look at operational costs and these should not be an after-thought..

Josh; In the retreat, I think that in the time we have the Board can begin to develop a unified direction and the beginning of some unified language. We can then revisit as a Board.

Troxell; As it relates to the retreat, are we going to drill into each of the different districts? These are all at different stages, so how do we think about leveraging our portfolio?

Josh; One of the topics currently on the agenda is scanning the future horizons. There are multiple to look at, there are horizons for Fort Collins, Library, Health, the larger idea is to get everything out on the table to look at opportunities for leverage, overlap and creating meaningful properties.

Cunniff; I can imagine the County has Human services high on the list

Josh; Exactly, we'd like to look at all the districts priorities together and evaluate from there. There could be opportunities there on what we can or cannot do but if anything, it will give us all a greater understanding of where we are each coming from.

Wise; I think there is some magic to that. If we could see money being applied directly to needs other than City needs, but more of need of the districts, I think there would be greater sympathy. Right now, there are some issues of some Board members feeling like funds are going towards City costs. More enthusiasm will come from applying money directly towards districts needs for things that the community really wants, such as mental health facilities.

Josh; I fully agreed, but we will not know this until we get everything out on the table and get to clear guidance on what the Board would like to address in all the districts. Spending the money within the North College area, some of the districts may see things out on the horizon that would be true public benefit for the community.

Mike; Remember that North College fund balance is the oddity of the URA districts. Most of them look very different, such as Prospect South, the Mall, etc... each of the districts look different.

Josh; North College is managed very different from our other URAs. We didn't have the conversations that we did with Drake and College, so in a way, now we need to go back and have these conversations. In this unique conversation, it is a great case study to look at what we truly want to achieve in the districts. The cash flow of this statement is geared towards helping the board think about URA investments strategically. Which in my mind is great because it brought the Board to a conversation of how they want to strategically invest the money as opposed to examining what the available fund balance actually is in each of the districts.

Troxell; In more recent URAs, the philosophy has been more of a narrowed scope, such as the Drake and College project. The legislation and philosophy behind this has really narrowed the scope of the URA's work. With North College, the project is more open, and the increment is over a much wider region, the conversation is totally different. This has been very helpful.

Cunniff; In 2023 the cash balance is larger than the total remaining debt owed?

Rachel; In 2023 there is enough money to cover all of the debt. If we wanted to pay all of the debt in any given year, this would be it. That's all I'm showing on the spreadsheet.

Josh; We can add another year and show it to you? One of our options is in 2023 we can pay all of the outstanding debt and be done.

Cunniff; Yes. Does the projection take the most recent assessment into account? Most of the residential has been about 23%, not 2%.

Josh; North College may have experienced a different reassessment values, we have not seen commercial values in 2019 this but will update when we can. Initial certifications are typically given around August with the final given around November.

Troxell; OK. Anything else?

Wise; Looking at this project and remaining time, this all looks good.

Josh; As a next step we will finalize similar reports for the other districts and share with committee in July, sort of a Q2 update. We plan to continue with this process and give you an update for all the other districts with the full cash flow out through the lifecycle of each district. We'll be giving you a 5-year snapshot as a focus.

Rachel; The 2019 TIF is based on 2018 that will not change, it's just the going forward.

Troxell; We have City projects going on right now in the North College Area, like Suniga and stormwater needs. The URA contributed some funds to stormwater and I know there are some needs on the West side. I am not sure the boundaries of where the URA funds were spend here, some of this work was in the County

Josh; Some of these projects were created in 2004. After 2005 the rules became much stricter in where and how money can be spent within a district. This is why we have to contribute only to Vine right of way as opposed to White Water Park. The southern portion of the right of way for Vine is in the district, the rest is out, so we basically had to spend all of our money within the southern portion.

Troxell; In terms of the blighted areas. I think this is where we as a Board will really be able to apply our broader community objectives.

Josh; We did some work about 12 months ago where we looked at 6 or 7 focus areas in North College. This basically went to Hickory, Suniga, Vine, Jarome, College, areas that we felt needs the most as well as there were good opportunities. We are happy to share this research with you.

Troxell; I think this is an interesting area for our community. There is really a lot of opportunity up there.

Wise; The Mulberry area will be interesting to look at well in terms of opportunity.

Troxell; Yes. Other business? None

Adjourned: 5/14. 11:49am

**URA FINANCE COMMITTEE
AGENDA ITEM SUMMARY**

Staff: Josh Birks
Rachel Rogers

Date: July 16, 2019

SUBJECT FOR DISCUSSION

Prospect South URA and Foothills Mall URA financial updates.

EXECUTIVE SUMMARY

The purpose of this item is to provide the Fort Collins Urban Renewal Authority (the "Authority") Finance Committee (the "Committee") an update on the financial status, commitments and revenue of the Prospect South URA and Foothills Mall URA. In addition, there has been an update on the North College URA financials for 2019 based on a reevaluation of monies owed for administrative expenses from the other URA funds.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Does the Committee have any questions about the information presented?
2. Does the Committee feel the Board will need additional information about the information presented?

BACKGROUND/DISCUSSION

Staff plans to update the Board regularly on the financial status of the current three URA's. We believe this is important for transparency, and to confirm to the Board that staff is closely tracking the finances of the URAs.

ATTACHMENTS

2018-2022 North College URA Financial Snapshot
2018-2022 Midtown – Prospect South URA Financial Snapshot

Midtown – Prospect South URA Financial Snapshot

Revenue

- Total TIF revenue collected through 2019 is \$2.9M.
- Additional revenue forecasted through 2037 (2036 tax increment) is \$11.8M.
⇒ Assumes a 2% property tax increase every other year.
- Other revenue (interest, etc.) totals \$0.3M for 2014-2037.

Expenses

Operating

- Operating expenses consist of personnel costs (paid to the North College URA annually), goods and services, bank fees and the fee from the County for tax collection (2% of TIF revenue).

Reimbursement Agreements

- Prospect Station – The Authority agrees to reimburse the Developer for the eligible costs up to \$494,000. The first payment is to be half the total amount - \$247k was paid to the Developer in 2014. The remaining payments will be over a 21-year period at an amount of \$11,762 per year.

Debt Service

- Loan from General Fund to URA for Capstone project – In 2013, the URA borrowed \$5M from the City General Fund for the Capstone project. Payment terms include lower interest rate of 2.68% and 50% TIF to cover interest difference with a loan maturity on December 31, 2037. The TIF payment amount shall not exceed \$1,780,000 in total. Through 2018, \$354,699 in revenue sharing has been paid on the loan. Debt service payments fluctuate based on the debt service schedule and are between \$400-500k per year.
- Loan from Water Fund to URA for Prospect Station project - – In 2013, the URA borrowed \$247,000 from the City Water Fund for the Prospect Station project. Payment terms include interest rate of 4.5% and loan maturity on December 31, 2037. Debt service payments are \$17,459 per year.

Restricted Fund Balance

- The Restricted Fund Balance equals next year of debt service.

Foothills Mall URA Financial Snapshot

Revenue

- Total revenue collected through 2019 is:
 - URA Property Tax Increment - \$4.5M
 - Metro District Property Tax Increment - \$2.8M
 - Sales Tax Increment - \$1.0M
- Additional revenue forecasted through 2039 (2038 tax increment):
 - URA Property Tax Increment - \$41.7M
 - Metro District Property Tax Increment - \$26.6M
 - ⇒ Assumes a 2% property tax increase every other year.
 - Sales Tax Increment - \$3.6M
 - ⇒ Sales Tax Increment is projected to end by 2024 as the Mall debt service is paid off and the increment is no longer needed.
- Other revenue (interest, etc.) totals \$0.5M for 2014-2037.

Expenses

Operating

- Operating expenses consist of administrative costs contracted at 1.5% of Property Tax TIF paid to the City (paid to the North College URA annually), goods and services, bank fees and the fee from the County for tax collection (2% of Property Tax and Metro District TIF revenue).

Developer Project Costs

- The Authority agrees to reimburse the Developer the Property Tax TIF, the Metro District TIF, and the Sales Tax TIF (up to 2024), minus 3.5% in fees paid to the City and the County.

North College URA

	Actual (Unaudited) 2018	Forecast 2019	Forecast 2020	Forecast 2021	Forecast 2022
Revenue					
Property Tax Increment	1,841,552	1,978,124	2,037,468	2,037,468	2,098,592
Interest on Balances	37,116	21,717	22,662	20,000	19,000
Admin Reimbursement from URAs	0	310,017	70,333	71,967	72,670
Total Revenue (Cash Inflow)	\$1,878,668	\$2,309,858	\$2,130,463	\$2,129,435	\$2,190,262
Expense					
Operating	229,311	395,143	405,749	412,999	421,617
Developer Reimbursement Agreement:	4,817	21,398	21,832	21,832	22,492
Sub-total Operating	234,128	416,541	427,581	434,831	444,109
Capital Project Contributions					
Whitewater Park	300,000				
Stormwater (west side of College)		300,000			
Sub-total Capital	300,000	300,000	0	0	0
Debt Service					
URA payment to City (RMI)	359,503	367,195	367,029	375,021	374,841
Principal	252,333	266,692	273,360	288,567	295,781
Interest	107,170	100,503	93,669	86,454	79,060
URA payment on outside debt	946,813	948,963	944,363	948,963	947,363
Principal	595,000	615,000	635,000	665,000	690,000
Interest	351,813	333,963	309,363	283,963	257,363
Sub-total Debt Service	1,306,316	1,316,158	1,311,392	1,323,984	1,322,204
Total Cash Outflow	\$1,840,444	\$2,032,699	\$1,738,972	\$1,758,814	\$1,766,312
Net Change in Cash	38,225	277,159	391,490	370,620	423,950
Prior year ending cash position	1,372,987	1,411,212	1,688,371	2,079,861	2,450,482
Ending Cash	\$1,411,212	\$1,688,371	\$2,079,861	\$2,450,482	\$2,874,431
<i>Restricted Fund Balance</i>	<i>(948,963)</i>	<i>(944,363)</i>	<i>(948,963)</i>	<i>(947,363)</i>	<i>(944,763)</i>
Available Fund Balance	\$462,249	\$744,008	\$1,130,899	\$1,503,119	\$1,929,669
Projected Ending Balance 2030	\$10,616,410				
<i>this includes operating payback from other URAs</i>					
Outstanding Debt Balances					
URA to City (RMI2)	1,782,878	1,516,186	1,242,826	954,259	658,478
URA to bondholders	8,265,000	7,650,000	7,015,000	6,350,000	5,660,000
Total	10,047,878	9,166,186	8,257,826	7,304,259	6,318,478

Assumptions:

- 2% growth in property tax TIF every other year.
- Property tax TIF collection ends 12/20/2029.
- 2029 property tax TIF will be received in 2030.
- No repayment to Aspen Heights.

Midtown - Prospect South URA

	Actual (Unaudited) 2018	Forecast 2019	Forecast 2020	Forecast 2021	Forecast 2022
Revenue					
Property Tax Increment	529,741	604,833	616,930	616,930	629,268
Interest on Balances	18,830	10,000	10,200	10,404	10,612
Total Revenue (Cash Inflow)	\$548,571	\$614,833	\$627,130	\$627,334	\$639,880
Expense					
Operating (LarCo charges)	10,595	12,097	12,339	12,339	12,585
Admin Charge to N College (1 yr in arrears)	0	226,139	22,744	23,426	24,129
Reimbursement Agreements (Prospect Station)	11,762	11,762	11,762	11,762	11,762
Sub-total Operating	22,357	249,998	46,845	47,527	48,476
Debt Service					
URA payment to City (Capstone)	404,776	411,025	423,182	430,070	443,011
Principal	155,049	159,205	169,068	173,599	183,959
Interest	124,762	120,607	116,340	111,809	107,157
Revenue Share	124,965	131,213	137,774	144,662	151,896
URA payment to City (Prospect Station)	17,459	17,459	17,459	17,459	17,459
Principal	7,239	7,565	7,905	8,261	8,633
Interest	10,220	9,894	9,553	9,198	8,826
Sub-total Debt Service	422,234	428,483	440,640	447,529	460,470
Total Cash Outflow	\$444,591	\$678,481	\$487,485	\$495,055	\$508,946
Net Change in Cash	103,980	(63,648)	139,645	132,278	130,934
Prior year ending cash position	195,720	299,699	236,052	375,697	507,975
Ending Cash	\$299,699	\$236,052	\$375,697	\$507,975	\$638,909
<i>Restricted Fund Balance</i>	<i>(428,483)</i>	<i>(440,640)</i>	<i>(447,529)</i>	<i>(460,470)</i>	<i>(468,065)</i>
Available Fund Balance	(\$128,784)	(\$204,588)	(\$71,832)	\$47,505	\$170,844
Projected Ending Balance 2037	\$4,117,271				
Outstanding Debt Balances					
URA to City (Capstone)	4,500,250	4,341,045	4,171,977	3,998,378	3,814,419
URA to City (Prospect Station)	219,861	212,296	204,391	196,130	187,497
Total	\$4,720,111	\$4,553,341	\$4,376,368	\$4,194,508	\$4,001,916

Assumptions:

- 2% growth in property tax TIF every other year.
- 3% growth in operating expenses each year.
- Property tax TIF collection ends 9/5/2036.
- 2036 property tax TIF will be received in 2037 and will be prorated for 8 months.
- Admin Charges is for operating expenses incurred by the URA but paid for by N College paid 1 yr in arrears. 2019 is the balance through 2018, 2020 and after is an estimate.
- The Restricted Fund Balance equals next year of debt service plus the balance on what is "owed" on the 50% TIF.

Foothills Mall URA

	Actual (Unaudited) 2018	Forecast 2019	Forecast 2020	Forecast 2021	Forecast 2022
Revenue					
Property Tax Increment	1,770,453	1,938,326	1,977,093	1,977,093	2,016,635
Metro District Property Tax	1,121,254	1,234,273	1,258,958	1,258,958	1,284,138
Sales Tax	339,423	476,928	491,236	505,973	521,152
PIF					
Interest on Balances	5,160	5,263	5,368	5,476	5,585
Other	(7,187)	0			
Total Revenue (Cash Inflow)	\$3,229,103	\$3,654,790	\$3,732,655	\$3,747,500	\$3,827,509
Expense					
Operating (LarCo charges)	57,690	63,452	64,721	64,721	66,015
Admin Charge to N College (1.5% of Property TIF, 1 yr in arrears)	0	83,878	47,589	48,541	48,541
Funding Agreement w/Mall	3,131,567	3,538,486	3,614,025	3,628,762	3,706,397
Sub-total Operating	3,189,257	3,685,816	3,726,335	3,742,024	3,820,954
Total Cash Outflow	\$3,189,257	\$3,685,816	\$3,726,335	\$3,742,024	\$3,820,954
Net Change in Cash	39,846	(31,025)	6,320	5,476	6,556
Prior year ending cash position	15,283	55,129	24,104	30,424	35,900
Ending/Available Cash	\$55,129	\$24,104	\$30,424	\$35,900	\$42,456
Projected Ending Balance 2039	\$99,134				

Assumptions:

- 2% growth in property tax TIF every other year.
- Property Tax TIF collection ends 5/6/2038.
- 2038 property tax TIF will be received in 2039 and will be prorated for 4 months.
- Admin Charge is for operating expenses incurred by the URA but paid for by N College. 2019 is the balance collected through 2018 and 2020 and after is the 1.5% of Property Tax TIF revenue projection as per the URA agreement.
- Ending cash balance is mostly due to interest income projected.