

RESOLUTION NO. 102
OF THE BOARD OF COMMISSIONERS OF THE FORT COLLINS
URBAN RENEWAL AUTHORITY ADOPTING THE 2020 BUDGET FOR
THE FORT COLLINS URBAN RENEWAL AUTHORITY

WHEREAS, the Fort Collins Urban Renewal Authority (the "URA") was created on January 5, 1982, by City Council's adoption of Resolution 1982-010, which resolution designated the City Council as the URA's Board of Commissioners ("Board"); and

WHEREAS, the URA operates to eliminate blight and prevent the spread of blight within urban renewal areas in accordance with the Colorado Urban Renewal Law, C.R.S. Section 31-25-101, et seq.; and

WHEREAS, the URA currently has three approved urban renewal plan areas that collect tax increment revenues and have annual expenditures, and these are known as the North College District, the Prospect South District, and the Foothills District (collectively, the "Districts"); and

WHEREAS, the Board has considered a proposed budget for fiscal year 2020 for each of the Districts and it wishes to adopt them as the URA's fiscal year 2020 budget in accordance with the Local Government Budget Law of Colorado, C.R.S. Section 29-1-101, et seq. (the "Budget Law"); and

WHEREAS, attached as Exhibit "A" and incorporated herein is the URA's fiscal year 2020 budget message for the Districts as required by the Budget Law (the "Budget Message"); and

WHEREAS, attached as Exhibit "B" and incorporated herein are the North College District's 2020 budget statement showing anticipated revenues and proposed expenditures and its comparative budget statement showing beginning and ending fund balances (jointly, the "North College District Budget"); and

WHEREAS, attached as Exhibit "C" and incorporated herein are the Prospect South District's 2020 budget statement showing anticipated revenues and proposed expenditures and its comparative budget statement showing beginning and ending fund balances (jointly, the "Prospect South District Budget"); and

WHEREAS, attached as Exhibit "D" and incorporated herein are the Foothills District's 2020 budget statement showing anticipated revenues and proposed expenditures and its comparative budget statement showing beginning and ending fund balances (jointly, the "Foothills District Budget"); and

WHEREAS, the Budget Message, the North College District Budget, the Prospect South District Budget, and the Foothills District Budget shall be collectively referred to as the "2020 URA Budget".

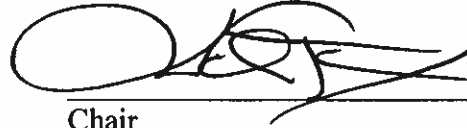
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL AUTHORITY as follows:

Section 1. That the Board hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That the 2020 URA Budget is hereby approved and the revenue amounts stated therein are appropriated for expenditure as stated in the 2020 URA Budget.

Section 3. That the Chief Financial Officer of the City, ex officio the Financial Officer of the URA, is hereby directed to file a certified copy of the 2020 URA Budget with the office of the Division of Local Government, Department of Local Affairs, State of Colorado as required by the Budget Law.

Passed and adopted at a regular meeting of the Board of Commissioners of the City of Fort Collins Urban Renewal Authority this 24th day of October A.D. 2019.



Chair

ATTEST:


Secretary



**Fort Collins Urban Renewal Authority (URA) Budget Message
Fiscal Year 2020 Budget****Budget Features**

The URA's 2020 budget is comprised of the budgets for the URA's current plan areas and associated districts, known as the North College District, the Prospect South District, and the Foothills District. The budget revenues include property and sales tax increment, and interest earned on investments and budget expenses include general operations, project obligations and debt service payments.

The URA aims to deliver services which achieve those objectives specified by the individual urban renewal plans for the North College District, Prospect South District and Foothills District. These include:

- To facilitate redevelopment and new development by private enterprise through cooperation among developers and public agencies to plan, design, and build needed improvements
- To address and remedy conditions in the area that impair or arrest the sound growth of the City
- To implement the City's Comprehensive Plan and its related elements
- To redevelop and rehabilitate the plan area in a manner which is compatible with and complementary to unique circumstances in the area
- To effectively utilize undeveloped and underdeveloped land
- To improve pedestrian, bicycle, and vehicular circulation and safety
- To ultimately contribute to increased revenues for all taxing entities
- To encourage the voluntary rehabilitation of buildings, improvements and conditions
- To facilitate the enforcement of the laws and regulations applicable to the plan area
- To watch for market and/or project opportunities to eliminate blight, and when such opportunities exist, to act within the financial, legal and political limits of the URA to acquire land, demolish and remove structures, provide relocation benefits, and pursue redevelopment, improvement and rehabilitation projects.

Summary of the Adopted 2020 URA Budgets

- North College URA
 - 1) Tax Increment Collections is based on the August 2019 certification of the 2019 property tax that will be collected in 2020. Increment for 2020 collections is up 22% from 2019 collections.
 - 2) The General Operations expense includes the credits for the reimbursement of expenses from the other URAs.
 - 3) The Larimer County Fee is based on Tax Increment Collections and also increased 22%.
 - 4) There are no budgeted capital contributions expected for 2020.

EXHIBIT A

- Prospect South URA
 - 1) Tax Increment Collections is based on the August 2019 certification of the 2019 property tax that will be collected in 2020. Increment for 2020 collections is up 20% from 2019 collections.
 - 2) The Larimer County Fee is based on Tax Increment Collections and also increased 20%.
 - 3) The Prospect South General Operations expense is an estimate of staff time and other expenses attributable to the URA which will be reimbursed to the North College URA annually.

- Foothills Mall URA
 - 1) Property Tax Increment Collections is based on the August 2019 certification of the 2019 property tax that will be collected in 2020. Increment for 2020 collections is up 16% from 2019 collections.
 - 2) Sales Tax Increment Collections are estimated to be 20% higher than 2019 based on increased leasing rates at the Foothills Mall.
 - 3) The City keeps 1.5% of the Property Tax increment for administrative costs which will be reimbursed to the North College URA annually.
 - 4) Higher Property Tax and Sales Tax increments will increase the repayment to the developer for debt service.

Budgetary Basis of Accounting

The URA budget and fund financial statements are prepared on the modified accrual basis of accounting.

**URBAN RENEWAL AUTHORITY
NORTH COLLEGE DISTRICT - FUND 800
2020 BUDGET**

	Original Projection	Revised Budget	Difference
Revenue:			
Tax Increment Collections	\$1,835,177	\$2,420,433	\$585,256
Interest on Investments	<u>22,662</u>	<u>22,662</u>	<u>0</u>
Total estimated Revenue for the URA	\$1,857,839	\$2,443,095	\$585,256
Expenses:			
Operations			
General Operations	\$505,973	\$318,493	(\$187,480)
Larimer County Fee	36,704	48,409	11,705
Developer Obligations	<u>179,354</u>	<u>179,354</u>	<u>0</u>
Total Operational Costs	\$722,031	\$546,256	(\$175,775)
Annual Debt Service Payments			
2013 Bond Payment	\$944,363	\$944,363	\$0
Rocky Mountain Innosphere	<u>273,294</u>	<u>367,029</u>	<u>93,735</u>
Total Debt Service Payments	\$1,217,657	\$1,311,392	\$93,735
2020 Budget Appropriation	<u>\$1,939,688</u>	<u>\$1,857,648</u>	<u>(\$82,040)</u>
Net Change in Fund Balance	(\$81,849)	\$585,447	\$667,296

- General Operations expense for the 2020 Revised Budget reflects the operating expenses for the North College URA and the repayment of allocated operating expenses from the Prospect South URA and the Foothill URA for 2019 (one year in arrears), which was not reflected in the original projection.

**URBAN RENEWAL AUTHORITY
PROSPECT SOUTH DISTRICT - FUND 801
2020 BUDGET**

	Original Projection	Revised Budget	Difference
Revenue:			
Tax Increment Collections	\$528,480	\$726,802	\$198,322
Interest on Investments	<u>15,982</u>	<u>10,200</u>	<u>(5,782)</u>
Total estimated Revenue for the URA	\$544,462	\$737,002	\$192,540
Expenses:			
Operations			
General Operations	\$0	\$22,744	\$22,744
Larimer County Fee	2,142	14,436	12,294
Developer Obligations	<u>11,762</u>	<u>11,762</u>	<u>0</u>
Total Operational Costs	\$13,904	\$48,942	\$35,038
Annual Debt Service Payments			
Capstone	\$285,408	\$285,408	\$0
Prospect Station	17,459	17,459	0
Revenue Sharing with City (Capstone)	<u>121,727</u>	<u>137,774</u>	<u>16,047</u>
Total Debt Service Payments	\$424,594	\$440,641	\$16,047
2020 Budget Appropriation	<u>\$438,498</u>	<u>\$489,583</u>	<u>\$51,085</u>
<i>Net Change in Fund Balance</i>	<i>\$105,964</i>	<i>\$247,419</i>	<i>\$141,455</i>

- The Prospect South General Operations expense is an estimate of staff time and other expenses attributable to the URA which will be reimbursed to the North College URA annually. This was not in the original projection.

**URBAN RENEWAL AUTHORITY
FOOTHILLS DISTRICT - FUND 803
2020 BUDGET**

	Original Projection	Revised Budget	Difference
Revenue:			
Property Tax Increment	\$2,754,740	\$3,688,601	\$933,861
Sales Tax Increment Collections	822,844	572,313	(250,531)
Interest on Investments	<u>0</u>	<u>5,368</u>	<u>5,368</u>
Total estimated Revenue for the URA	\$3,577,584	\$4,266,282	\$688,698
Expenses:			
Operations			
Larimer County Fee	\$71,175	\$73,772	\$2,597
Administrative Charges	<u>0</u>	<u>47,604</u>	<u>47,604</u>
Total Operational Costs	\$71,175	\$121,376	\$50,201
Annual Debt Service Payments			
Foothills Metro District Bond	<u>\$3,506,409</u>	<u>\$4,131,813</u>	<u>\$625,404</u>
Total Debt Service Payments	\$3,506,409	\$4,131,813	\$625,404
2020 Budget Appropriation	<u>\$3,577,584</u>	<u>\$4,253,189</u>	<u>\$675,605</u>
Net Change in Fund Balance	\$0	\$13,093	\$13,093

- The Foothills General Operations expense is calculated as 1.5% of the Property Tax increment, allotted for administrative costs, which will be reimbursed to the North College URA annually. This was not in the original projection.
- The 2020 ending fund balance is the result of cumulative interest earnings on balances in the fund.