

## **URA FINANCE COMMITTEE AGENDA ITEM SUMMARY**

**Staff:** Josh Birks, Acting Executive Director

**Date:** October 12, 2023

**SUBJECT FOR DISCUSSION:** 2024 Budget

### **EXECUTIVE SUMMARY**

Staff submitted two budget offers for the Urban Renewal Authority (URA) as part of the City's biennial Budgeting for Outcomes (BFO) process in 2022. Since the City's produces a two-year budget as part of BFO, staff prepared a two-year budget for the URA for 2023 and 2024. The 2024 budget as presented mirrors the information presented to the Board in 2022 and contains updated revenue and expense forecasts based on the County Assessor's most recent property reassessment and 2023 expenditures to date.

The first budget offer covers the costs of performing core functions of the URA. The second offer is for the URA's debt service payments. Combined, the total original appropriation for the 2024 URA budget would be \$6,121,898. After these expenses, both the North College and Prospect South plan areas would generate excess revenues. Staff forecasts \$6.2 million in available cash in the North College plan area and \$1.5 million in available cash in the Prospect South plan area by the end of 2024.

### **GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED**

What additional information would the Finance Committee like to see related to the 2024 budget when presented to the URA Board in October?

### **BACKGROUND/DISCUSSION**

The Urban Renewal Authority (URA) participates in the City's biennial Budgeting for Outcomes (BFO) process when establishing its budget. The URA follows a process that incorporates the feedback of all URA Board members while still participating in the BFO process. Staff submitted initial budget offers as part of BFO in April, 2022. Staff provided a preview of the budget via memo on September 23, 2022 and presented the budget to the Finance Committee on October 13, 2022. The Finance Committee supported the budget as presented. The URA Board then adopted the 2023 budget on October 27, 2022. Staff presented forecasts and budget offers for 2024 as part of the 2023 budget adoption. The 2024 budget as presented mirrors the information presented to the Board in 2022 and contains updated revenue and expense forecasts based on the County Assessor's most recent property reassessment and 2023 expenditures to date.

## Overview of Budget Offers

The budget offer consists of two elements: operational costs and debt service. Both elements are ongoing budget offers, meaning they are essential to running the day-to-day operations of the URA. Operational costs cover the costs of staffing, insurance, and retaining legal counsel, amongst other costs. The debt service budget offer covers payments of all outstanding debt for all plan areas. The table below summarize the amount of money staff seeks for appropriation to fund these budget offers and a comparison to the 2023 budget:

Offer Name	2023 Budget Request	2024 Budget Request
Offer 66.1 - URA Core Offer	\$665,216	682,345
Offer 66.2 - URA Debt Service	\$5,340,153	\$5,439,553
<b>TOTAL</b>	<b>\$6,005,369</b>	<b>6,121,898</b>

Changes in the 2024 URA budget compared to the 2023 budget include:

- Reduced property tax TIF revenue and developer repayment for Foothills Mall based on preliminary August 2023 report.
- Small increases in both operating costs and debt service including hourly personnel support and small incremental increases for personnel and anticipated inflationary costs over 2023 budget amounts.
- TIF increases at North College and Prospect South due to increased property values.
- 2024 Property Tax was based originally on the 2022 TIF Warrant with an inflation value applied. Revenue Increment was increased in cash flow forecasts to reflect preliminary values in the August 2023 Warrant report.

Both the North College and Prospect South plan areas will generate excess revenues with the current proposed budget. By the end of 2024, North College is anticipated to have nearly \$6.2 million in cash available while Prospect South will have close to \$1.5 million in cash available. The Foothills Mall plan area passes TIF revenues to the Foothills Metro District, leaving the URA with no excess revenues to invest in other priorities.

Expense Type	North College	Prospect South
Cash Inflows 2024	\$4,389,941	\$883,849
Cash Outflows 2024	(\$1,735,693)	(\$458,794)
Net Change in Cash 2024	\$2,654,248	\$425,055
Projected Ending Cash Balance 2023	\$4,532,549	\$1,437,062
Projected Ending Cash Balance 2024	\$7,186,797	\$1,862,117
Restricted Cash Balance 2024	(\$946,363)	(\$370,194)
<b>Net Available Cash Balance Ending 2024</b>	<b>\$6,240,434</b>	<b>\$1,491,923</b>

Collections of TIF revenue are on track and/or above estimates for 2023. With the County Assessor reassessing property values in 2021 2023 and the URA collecting property taxes a year in arrears, staff expect stable revenues through 20232024.

## **ATTACHMENTS**

1. URA Budget Offers (PDF)
2. 2024 Revenue Forecasts updated 3/3/23 (PDF)
3. TIF Revenue to Year to Date (PDF)
4. PowerPoint Presentation (PDF)
5. Exhibit A – 2024 Budget Statement
6. Exhibit B – 2024 URA Budget Details

Economic Health



***Offer 34.1: Urban Renewal Authority***

***Offer Type: Ongoing***

2023: \$665,216 and 1.90 FTE (excluding hourly staffing)

2024: \$682,345 and 1.90 FTE (excluding hourly staffing)

**Offer Summary**

This offer funds Urban Renewal Authority (URA) administration and operations. The URA brings together local tax-collecting organizations to collaborate and remediate blight to create a better community for everyone. The URA currently has four active tax increment financing (TIF) districts.

The URA program makes important contributions to the City's vibrancy with an emphasis on triple bottom-line benefits and placemaking. URA's revitalization objectives include:

- Create vibrant neighborhoods
- Support projects that achieve objectives outlined in Community Investment Plans
- Catalyze projects and accelerate investments that would not otherwise happen, thereby creating improvements with lasting value
- Encourage development projects that enhance local character, culture, economy and quality of life
- Improve public infrastructure (streets, storm drainage, sewer, utilities, etc.) in areas where deficiencies exist
- Incentivize high efficiency buildings and development projects in support of Our Climate Future
- Retain, expand and attract businesses for the purpose of improving the City's economic base as demonstrated by projects that retain/create jobs, increase the manufacturing base, etc.
- Create destination locations, including mixed use projects, that will capture additional revenue to the area
- Support a spectrum of housing affordability options
- Protect natural habitats and features
- Remove impediments to desired development
- Encourage development that is consistent with City Plan, subarea plans and approved Urban Renewal Plans
- Create, accelerate and enhance projects that meet broader community objectives including those of taxing entities

The URA is not dependent on the General Fund; funding comes from incremental property and sales tax revenues resulting from new activity enabled and catalyzed by URA investments.



## **Offer 34.1: Urban Renewal Authority**

### **Offer Type: Ongoing**

This Offer supports the following Strategic Objectives (*the primary objective is marked with a ✓*):

- ✓ ECON 3.1 - Collaborate with local and regional partners to achieve economic resilience in Northern Colorado.
- ECON 3.4 - Utilize tools and partnerships to leverage infill and redevelopment opportunities to achieve development consistent with City Plan and supporting the City's broader strategic objectives.

### **Additional Information**

- Existing Areas: (1) North College - centered on College Avenue from Vine Drive north to the City boundary and 1/4 mile either side of College; (2) Prospect South - centered on College Avenue from Prospect Road south to just north of Whole Foods and east/west to encompass the commercial development; (3) Foothills - Encompasses the mall property and some public right-of-way
- Existing Areas, continued: (4) College and Drake – contains Spradley Barr Mazda and former Kmart sites along with the intersections of College and Drake, Drake and railroad tracks, and Drake and Redwing.
- We use GARE's equitable development framework as a way to assess and frame the URA's investments. This helps us ensure we invest in projects and programs that further our goals around equity and inclusion within our plan areas. We are building a data dashboard that will track demographics, investment, property values, and other indicators to help us ensure our actions yield more equitable outcomes
- For the North College plan area, we have been working with the Latino/Latinx community on developing a community hub that would provide resources to the whole community but with a particular emphasis on the Latino/Latinx community. Spanish is the default language in these meetings rather than English. Our communications are also in Spanish by default.

### **Links to Further Details:**

- Not applicable

### **Linkage to Strategic Objectives**

(*the primary objective is marked with a ✓*)

- ✓ ECON 3.1 - Collaborate with local and regional partners to achieve economic resilience in Northern Colorado.: The URA works with other governmental partners to support development projects that create housing and economic opportunities, leading to improved economic resilience in Northern Colorado.
- ECON 3.4 - Utilize tools and partnerships to leverage infill and redevelopment opportunities to achieve development consistent with City Plan and supporting the City's broader strategic objectives.: The URA works with other governmental partners, community groups and developers to leverage infill and development opportunities.



## **Offer 34.1: Urban Renewal Authority**

**Offer Type: Ongoing**

### **Improvements & Efficiencies**

- The URA has worked with the Stormwater and Engineering Departments to identify a unified approach to managing stormwater detention and water quality on the west side of College Avenue in the North College Plan Area with an outfall into the Poudre River. These stormwater facilities will be integrated with an ultimate alignment and design for Mason Street from Willox to Alpine.
- The URA Board has adopted investment plans for the North College and Prospect South plan areas. These plans provide greater clarity on the types of projects the Authority intends to support. These investment plans utilize the GARE Equitable Development Framework as their basis supported by a series of metrics and indicators. This will help ensure the URA advances equity for all, leading with race.
- The URA adopted its first Strategic Plan in 2020. The Strategic Plan establishes how the Urban Renewal Authority supports redevelopment while also supporting the communities in which it operates. The Strategic Plan has a series of guiding principles and tactics that keep ensure the Urban Renewal Authority acts to build community through redevelopment.

### **Performance Metrics**

- ECON 60. Survey - Percent of businesses rating a positive performance of economic health initiatives  
<https://publish.clearpointstrategy.com/594/Measures/scorecardId=6280&object=measure&objectId=558078.html>

Performance Measure Reason: Tax Increment Financing (TIF) provides an incentive for developers to invest in property and create development that would otherwise be infeasible

### **Differences from Prior Budget Cycles**

- N/A

### **Explanation of Any Adjustments to Personnel Costs using object 519999**

- Pay differential for Deputy Director position

### **Offer Profile**

Offer Owner: RRogers

Financial Lead: wbricher

Lead Department: Urban Renewal Authority



### 34.1: Urban Renewal Authority

*Offer Type: Ongoing*

#### Ongoing Programs and Services

	2023 Projected Budget	2024 Projected Budget	2023 to 2024 Change	
Full Time Equivalent (FTE) Staffing	1.90	1.90	- %	
Expenses				
511000 - Salaries & Wages	195,929	204,747	4.5%	
512000 - Benefits	54,412	56,852	4.5%	
519000 - Other Personnel Costs	(6,225)	(6,674)	7.2%	
510000 - Personnel Services	244,116	254,925	4.4%	
521000 - Professional & Technical	339,600	342,920	1.0%	
529000 - Other Prof & Tech Services	15,000	17,000	13.3%	
520000 - Purchased Prof & Tech Services	354,600	359,920	1.5%	
535000 - Construction Services	30,000	31,000	3.3%	
530000 - Purchased Property Services	30,000	31,000	3.3%	
541000 - Insurance	25,000	25,000	- %	
542000 - Communication Services	1,500	1,500	- %	
544000 - Employee Travel	2,000	2,000	- %	
549000 - Other Purchased Services	3,000	3,000	- %	
540000 - Other Purchased Services	31,500	31,500	- %	
555000 - Office & Related Supplies	3,000	3,000	- %	
559000 - Other Supplies	2,000	2,000	- %	
550000 - Supplies	5,000	5,000	- %	
Total Expenses	665,216	682,345	2.6%	
Funding Sources				
800-URA N. College District: Ongoing Revenue	Ongoing Restricted	665,216	682,345	2.6%
Funding Source Total	665,216	682,345	2.6%	



## Offer 34.2: Urban Renewal Authority Debt Service

### Offer Type: Ongoing

2023: \$5,340,153 and 0.00 FTE (excluding hourly staffing)

2024: \$5,439,553 and 0.00 FTE (excluding hourly staffing)

### Offer Summary

This offer funds the payment of Urban Renewal Authority (URA) debt and obligation payments across three tax increment financing (TIF) districts. The College and Drake URA does not have obligation payments since it was established in 2020. These debts and obligations include bond payments (North College and Foothills Mall), Redevelopment/Project Agreements, and City loan agreements.

The URAs issue debt to help finance various development projects in the URA districts, such as the King Sooper Marketplace and The Lyric in the North College URA. The debt service expense is paid for by the tax increment revenue collected by the URA districts over the life of the URA (30 years). The URA uses tax increment funding for all debt and obligation payments; the URA is not dependent on the General Fund.

This Offer supports the following Strategic Objectives (*the primary objective is marked with a ✓*):

- ✓ ECON 3.1 - Collaborate with local and regional partners to achieve economic resilience in Northern Colorado.
- ECON 3.4 - Utilize tools and partnerships to leverage infill and redevelopment opportunities to achieve development consistent with City Plan and supporting the City's broader strategic objectives.

### Additional Information

- This offer allows the URA to service debt and is, therefore, linked to the ongoing operations of the URA in terms of addressing equity. Please see the ongoing offer for the URA for more information about how the URA has adjusted its operations to better address equity.

### Links to Further Details:

- Not applicable

### Linkage to Strategic Objectives

(*the primary objective is marked with a ✓*)

- ✓ ECON 3.1 - Collaborate with local and regional partners to achieve economic resilience in Northern Colorado.: The URA pledges TIF to pay for debt it issues. The success of the URA's debt service offer is, therefore, linked to the effectiveness of TIF as an incentive for development.



***Offer 34.2: Urban Renewal Authority Debt Service******Offer Type: Ongoing***

- ECON 3.4 - Utilize tools and partnerships to leverage infill and redevelopment opportunities to achieve development consistent with City Plan and supporting the City's broader strategic objectives.: The URA utilizes borrowing when needed to leverage infill and redevelopment opportunities to achieve development consistent with City Plan and supporting the City's broader strategic objectives.

**Improvements & Efficiencies**

- N/A

**Performance Metrics**

- ECON 60. Survey - Percent of businesses rating a positive performance of economic health initiatives  
<https://publish.clearpointstrategy.com/594/Measures/scorecardId=6280&object=measure&objectId=558078.html>

Performance Measure Reason: The URA pledges TIF to pay for debt it issues. The success of the URA's debt service offer is, therefore, linked to the effectiveness of TIF as an incentive for development.

**Differences from Prior Budget Cycles**

- Not applicable

**Explanation of Any Adjustments to Personnel Costs using object 519999**

- N/A

**Offer Profile**

Offer Owner: RRogers

Financial Lead: wbricher

Lead Department: Urban Renewal Authority



## 34.2: Urban Renewal Authority Debt Service

*Offer Type: Ongoing*

### Ongoing Programs and Services

	2023 Projected Budget	2024 Projected Budget	2023 to 2024 Change
<b>Full Time Equivalent (FTE) Staffing</b>	-	-	- %

### Expenses

535000 - Construction Services	3,700,000	3,800,000	2.7%
<b>530000 - Purchased Property Services</b>	<b>3,700,000</b>	<b>3,800,000</b>	<b>2.7%</b>
581000 - Debt Service	1,640,153	1,639,553	- %
<b>580000 - Debt &amp; Other Uses</b>	<b>1,640,153</b>	<b>1,639,553</b>	<b>- %</b>
<b>Total Expenses</b>	<b>5,340,153</b>	<b>5,439,553</b>	<b>1.9%</b>

### Funding Sources

800-URA N. College District: Ongoing Revenue	Ongoing Restricted	5,340,153	5,439,553	1.9%
	<b>Funding Source Total</b>	<b>5,340,153</b>	<b>5,439,553</b>	<b>1.9%</b>

North College Urban Renewal Area  
Base year 2005 TIF Rev through 2031  
Financial Forecast

Revenue is recd year following assessment  
TIF revenue year

	2021 TIF 18	2022 TIF 19	2023 TIF 20	2024 TIF 21	2025 TIF 22	2026 TIF 23	2027 TIF 24	2028 TIF 25	2029 TIF 26		Cumulative
	Act 2022	Prelim Act 2023	Proj 2024	Proj 2025	Proj 2026	Proj 2027	Proj 2028	Proj 2029	Proj 2030	Proj 2031	Total
<b>Cash Inflows</b>											
Property Tax Increment (cash basis)	3,039,356	3,281,935	4,389,941	4,521,639	4,657,288	4,657,288	4,797,007	4,797,007	4,940,917		57,276,572
TOTAL Property Tax Increment	3,039,356	3,281,935	4,389,941	4,521,639	4,657,288	4,657,288	4,797,007	4,797,007	4,940,917		57,276,572
<b>Other Revenue</b>											
Interest	(144,609)	16,000	16,000	16,000	12,000	12,000	12,000	10,000	10,000		325,054
Other	-										233,833
Total Other Revenue	(144,609)	16,000	16,000	16,000	12,000	12,000	12,000	10,000	10,000		558,887
<b>Total Cash Inflows</b>	<b>2,894,747</b>	<b>3,297,935</b>	<b>4,405,941</b>	<b>4,537,639</b>	<b>4,669,288</b>	<b>4,669,288</b>	<b>4,809,007</b>	<b>4,807,007</b>	<b>4,950,917</b>		<b>88,934,021</b>
<b>Cash Outflows</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>		<b>Cumulative</b>
	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>		<b>Total</b>
<b>Operating</b>											
Personnel	(249,983)	(254,983)	(260,082)	(265,284)	(270,590)	(276,001)	(281,521)	(287,152)			(4,373,768)
Goods & Services	(75,102)	(76,604)	(78,136)	(79,699)	(81,293)	(82,919)	(84,577)	(86,269)			(1,532,139)
Reimbursement from Other URAs	78,522	86,187	86,835	88,571	89,328	91,114	91,901	93,739	94,558		1,417,537
County Fee	(60,787)	(65,639)	(87,799)	(90,433)	(93,146)	(93,146)	(95,940)	(95,940)	(98,818)		(1,067,984)
Insurance	(10,402)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)			(249,452)
Debt Service Cost of Issuance											(200,293)
Debt Service Banking Fee	(3,025)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)			(181,663)
<b>Total Operating</b>	<b>(320,777)</b>	<b>(338,788)</b>	<b>(366,933)</b>	<b>(374,594)</b>	<b>(383,451)</b>	<b>(388,702)</b>	<b>(397,887)</b>	<b>(403,371)</b>	<b>(4,260)</b>		<b>(6,187,762)</b>
Project 10- Feeders Supply	-	(17,909)	(3,399)	(3,328)	(3,633)	(3,874)	(3,874)	(4,122)	(4,122)	(4,378)	(48,640)
Project 11-Hickory Commons									-		-
Project 12- Lyric (first \$43,650 payable to URA for ROW)	(9,939)	(17,641)	(18,283)	(18,945)	(19,627)	(20,330)	(21,053)	(21,798)	(22,565)	(23,355)	(193,537)
Project 12- Lyric (first \$43,650 payable to URA for ROW)											(43,650)
Debt 3 Principal (RMI2)	(295,781)	(311,884)	(319,681)	(26,913)							(4,539,129)
Debt 3 Principal (RMI2)											(764,810)
Debt 3 Interest	(23,856)	(16,462)	(8,665)	(673)							(1,230,367)
<b>Sub-Total General Fund</b>	<b>(319,637)</b>	<b>(328,346)</b>	<b>(328,346)</b>	<b>(27,586)</b>	-	-	-	-	-	-	<b>(15,766,390)</b>
<b>2013 Bonds - Debt Service</b>											
2013 Bond Principal	(690,000)	(715,000)	(745,000)	(775,000)	(805,000)	(840,000)	(870,000)	(910,000)	-		(11,085,000)
2013 Bond Interest	(257,363)	(229,763)	(201,163)	(171,363)	(140,363)	(108,163)	(74,563)	(38,675)	-		(4,059,972)
<b>Total Bond Debt Service</b>	<b>(947,363)</b>	<b>(944,763)</b>	<b>(946,163)</b>	<b>(946,363)</b>	<b>(945,363)</b>	<b>(948,163)</b>	<b>(944,563)</b>	<b>(948,675)</b>	-		<b>(15,144,972)</b>
<b>Total Cash Outflows</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>(1,370,817)</b>	<b>(1,352,073)</b>	<b>(1,361,068)</b>	<b>(1,367,377)</b>	<b>(1,377,967)</b>	<b>(30,948)</b>		<b>(58,473,719)</b>
<b>Net Change in Cash</b>	<b>1,297,031</b>	<b>1,650,489</b>	<b>2,742,818</b>	<b>3,166,823</b>	<b>3,317,215</b>	<b>3,308,221</b>	<b>3,441,630</b>	<b>3,429,041</b>	<b>4,919,969</b>		<b>30,460,301</b>
<b>Ending Cash &amp; Investments</b>	<b>4,511,830</b>	<b>6,162,319</b>	<b>8,905,136</b>	<b>12,071,959</b>	<b>15,389,174</b>	<b>18,697,395</b>	<b>22,139,025</b>	<b>25,568,065</b>	<b>30,488,035</b>		
Restricted Cash	(944,763)	(946,163)	(946,363)	(945,363)	(948,163)	(944,563)	(948,675)	-			
<b>Net Available Cash</b>	<b>3,567,067</b>	<b>5,216,156</b>	<b>7,958,774</b>	<b>11,126,596</b>	<b>14,441,011</b>	<b>17,752,832</b>	<b>21,190,350</b>	<b>25,568,065</b>	<b>30,488,035</b>		
<b>Outstanding Debt</b>	<b>6,318,478</b>	<b>5,291,594</b>	<b>4,226,913</b>	<b>3,425,000</b>	<b>2,620,000</b>	<b>1,780,000</b>	<b>910,000</b>				

<b>Urban Renewal Authority / Midtown Plan Area</b> <b>Prospect South TIF District</b> <b>Base year 2011 TIF Rev through 2037</b> <b>Financial Forecast</b>																	
Revenue is recd year following assessment TIF revenue year	2021 TIF 11	2022 TIF 12	2023 TIF 13	2024 TIF 14	2025 TIF 15	2026 TIF 16	2027 TIF 17	2028 TIF 18	2029 TIF 19	2030 TIF 20	2031 TIF 21	2032 TIF 22	2033 TIF 23	2034 TIF 24	2035 TIF 25	2036 TIF	Cumulative
	Proj 2022	Proj 2023	Proj 2024	Proj 2025	Proj 2026	Proj 2027	Proj 2028	Proj 2029	Proj 2030	Proj 2031	Proj 2032	Proj 2033	Proj 2034	Proj 2035	Proj 2036	2037	Total
<b>Property Tax Increment (cash basis)</b>	691,698	724,711	883,849	910,364	937,675	965,806	994,780	1,024,623	1,055,362	1,087,023	1,119,633	1,153,222	1,187,819	1,223,454	1,260,157	554,977	19,707,879
<b>TOTAL Property Tax Increment</b>	<b>691,698</b>	<b>724,711</b>	<b>883,849</b>	<b>910,364</b>	<b>937,675</b>	<b>965,806</b>	<b>994,780</b>	<b>1,024,623</b>	<b>1,055,362</b>	<b>1,087,023</b>	<b>1,119,633</b>	<b>1,153,222</b>	<b>1,187,819</b>	<b>1,223,454</b>	<b>1,260,157</b>	<b>554,977</b>	<b>19,707,879</b>
<b>Other Revenue</b>																	
Interest on Investments	3,583	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	156,082
<b>Total Cash Inflows</b>	<b>695,281</b>	<b>729,711</b>	<b>888,849</b>	<b>915,364</b>	<b>942,675</b>	<b>970,806</b>	<b>999,780</b>	<b>1,029,623</b>	<b>1,060,362</b>	<b>1,092,023</b>	<b>1,124,633</b>	<b>1,158,222</b>	<b>1,192,819</b>	<b>1,228,454</b>	<b>1,265,157</b>	<b>559,977</b>	<b>30,439,824</b>
	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25		Cumulative
	Proj 2022	Proj 2023	Proj 2024	Proj 2025	Proj 2026	Proj 2027	Proj 2028	Proj 2029	Proj 2030	Proj 2031	Proj 2032	Proj 2033	Proj 2034	Proj 2035	Proj 2036	2037	Total
<b>Cash Outflows</b>																	
<b>Operating</b>																	
Admin Charge (pd by N College and reimbursed -	(35,640)	(36,353)	(37,080)	(37,821)	(38,578)	(39,349)	(40,136)	(40,939)	(41,758)	(42,593)	(43,445)	(44,314)	(45,200)	(46,104)	(47,026)	(47,967)	(949,932)
Goods & Services	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)		(590,863)
Debt Service Banking Fee	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)	(2,250)		(38,250)
County Fee	(13,834)	(14,494)	(17,677)	(18,207)	(18,754)	(19,316)	(19,896)	(20,492)	(21,107)	(21,740)	(22,393)	(23,064)	(23,756)	(24,469)	(25,203)	(11,100)	(394,157)
<b>Total Operating</b>	<b>(76,724)</b>	<b>(78,097)</b>	<b>(82,007)</b>	<b>(83,279)</b>	<b>(84,581)</b>	<b>(85,916)</b>	<b>(87,282)</b>	<b>(88,682)</b>	<b>(90,115)</b>	<b>(91,584)</b>	<b>(93,088)</b>	<b>(94,628)</b>	<b>(96,207)</b>	<b>(97,823)</b>	<b>(99,479)</b>	<b>(59,066)</b>	<b>(1,973,202)</b>
<b>Developer Project Costs (funds released to project)</b>																	
Project 1 - Capstone																	(4,972,000)
Project 2 - Prospect Station	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	(11,762)	-	(494,002)
<b>Total Developer Project Costs</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>(11,762)</b>	<b>-</b>	<b>(5,466,002)</b>
<b>2019 Refinancing</b>																	
Principal	(230,000)	(240,000)	(250,000)	(265,000)	(280,000)	(290,000)	(305,000)	(315,000)	(320,000)	(325,000)	(330,000)	(340,000)	(345,000)	(355,000)	(360,000)		(4,990,000)
Interest	(138,544)	(127,044)	(115,044)	(102,544)	(89,294)	(75,294)	(60,794)	(54,694)	(48,394)	(41,994)	(35,494)	(28,894)	(22,094)	(15,194)	(7,650)		(1,261,901)
<b>Total Principal and Interest Expense</b>	<b>(368,544)</b>	<b>(367,044)</b>	<b>(365,044)</b>	<b>(367,544)</b>	<b>(369,294)</b>	<b>(365,294)</b>	<b>(365,794)</b>	<b>(369,694)</b>	<b>(368,394)</b>	<b>(366,994)</b>	<b>(365,494)</b>	<b>(368,894)</b>	<b>(367,094)</b>	<b>(370,194)</b>	<b>(367,650)</b>		<b>(6,251,901)</b>
<b>Total Cash Outflows</b>	<b>(457,030)</b>	<b>(456,903)</b>	<b>(458,813)</b>	<b>(462,585)</b>	<b>(465,637)</b>	<b>(462,971)</b>	<b>(464,838)</b>	<b>(470,137)</b>	<b>(470,271)</b>	<b>(470,339)</b>	<b>(470,343)</b>	<b>(475,284)</b>	<b>(475,062)</b>	<b>(479,779)</b>	<b>(478,891)</b>	<b>(59,066)</b>	<b>(20,441,470)</b>
<b>Net Change in Cash</b>	<b>238,251</b>	<b>272,808</b>	<b>430,036</b>	<b>452,780</b>	<b>477,038</b>	<b>507,834</b>	<b>534,942</b>	<b>559,486</b>	<b>590,091</b>	<b>621,683</b>	<b>654,290</b>	<b>682,938</b>	<b>717,757</b>	<b>748,675</b>	<b>786,266</b>	<b>500,910</b>	<b>9,998,354</b>
<b>Ending Cash &amp; Investments</b>	<b>1,460,818</b>	<b>1,733,626</b>	<b>2,163,662</b>	<b>2,616,442</b>	<b>3,093,480</b>	<b>3,601,315</b>	<b>4,136,257</b>	<b>4,695,743</b>	<b>5,285,834</b>	<b>5,907,517</b>	<b>6,561,807</b>	<b>7,244,746</b>	<b>7,962,502</b>	<b>8,711,177</b>	<b>9,497,443</b>	<b>9,998,354</b>	
Restricted Cash	(370,194)	(370,194)	(370,194)	(356,500)	(328,500)	(299,500)	(269,000)	(237,500)	(205,500)	(173,000)	(140,000)	(106,000)	(71,500)	(36,000)	-		
<b>Net Available Cash</b>	<b>1,090,624</b>	<b>1,363,432</b>	<b>1,793,468</b>	<b>2,259,942</b>	<b>2,764,980</b>	<b>3,301,815</b>	<b>3,867,257</b>	<b>4,458,243</b>	<b>5,080,334</b>	<b>5,734,517</b>	<b>6,421,807</b>	<b>7,138,746</b>	<b>7,891,002</b>	<b>8,675,177</b>	<b>9,497,443</b>	<b>9,998,354</b>	
Outstanding Debt	4,320,000	4,080,000	3,830,000	3,565,000	3,285,000	2,995,000	2,690,000	2,375,000	2,055,000	1,730,000	1,400,000	1,060,000	715,000	360,000			

## TIF Revenue

### North College URA

Tax District	LTD 2006-2022		Forecast 2023-2030 (8 years)	TOTAL
	Total TIF	% of Total		
Poudre R-1 School District	\$12,394,932	58.1%	\$16,429,118	\$28,824,049
Larimer County	\$5,186,943	24.3%	\$6,875,140	\$12,062,083
City of Fort Collins	\$2,277,077	10.7%	\$3,018,198	\$5,295,275
Health District of N. Lar Co.	\$503,667	2.4%	\$667,596	\$1,171,263
Lar Co. Pest Control	\$30,226	0.1%	\$40,063	\$70,289
Poudre River Public Library District	\$699,195	3.3%	\$926,762	\$1,625,957
N CO Water Conservancy District	\$232,426	1.1%	\$308,074	\$540,500
<b>Total</b>	<b>\$21,324,465</b>		<b>\$28,264,951</b>	<b>\$49,589,416</b>

### Prospect South URA

Tax District	LTD (2013-2022)		Forecast 2023-2037 (15 years)	TOTAL
	Total TIF	% of Total		
Poudre R-1 School District	\$2,699,356	58.4%	\$6,675,228	\$9,374,584
Larimer County	\$1,117,478	24.2%	\$2,763,408	\$3,880,886
City of Fort Collins	\$491,859	10.6%	\$1,216,317	\$1,708,176
Health District of N. Lar Co.	\$108,794	2.4%	\$269,037	\$377,832
Lar Co. Pest Control	\$6,619	0.1%	\$16,369	\$22,988
Poudre River Public Library District	\$151,092	3.3%	\$373,634	\$524,726
N CO Water Conservancy District	\$50,205	1.1%	\$124,152	\$174,357
<b>Total</b>	<b>\$4,625,404</b>		<b>\$11,438,145</b>	<b>\$16,063,549</b>

# 2024 URA Budget



## Ongoing Programs and Services

Expense Type	Budget
Personnel	\$254,925
Prof. and Tech. Svcs.	366,420
Insurance	25,000
Property Svcs.	31,000
Office Expenses	5,000
<b>Total</b>	<b>\$682,345</b>

## Funding Source

URA	Budget
North College	\$448,595
Prospect South	93,750
Foothills Mall	140,000
<b>Total</b>	<b>\$682,345</b>

Note: Adjustment of \$12,589 was added to Personnel for 2024 for additional partial FTE, Business Support. Change is reflected on the AIS 2024 URA Budget Details attachment.



## Debt Service Payments

Expense Type	Budget
Developer Payments	\$3,800,000
Debt Service	1,639,553
<b>Total</b>	<b>\$5,439,553</b>

## Funding Source

URA	Budget
North College	\$1,274,509
Prospect South	365,044
Foothills Mall	3,800,000
<b>Total</b>	<b>\$5,439,553</b>





### North College URA

- ***Developer Repayments***

- *The Lyric* 2024 Budget includes repayments to the Lyric based on their agreement (about \$19k in 2024).

- ***Other Expense***

- Operating expenses are budgeted slightly higher in 2024 due to minimal annual increases in personnel costs and anticipated inflationary costs.



### **Prospect South URA**

- No significant expense changes in 2024.

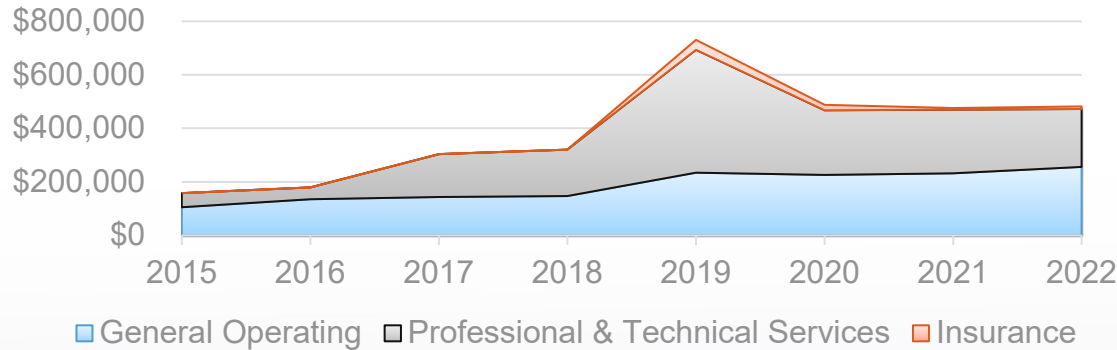
### **Foothills Mall URA**

- Reduction in Developer Repayment due to decreased Property Tax TIF to be collected.



## URA Operating Expense History

### Operating Expenses



#### General Operating Expenses:

- Salaries & Benefits
- Office-related expenses

#### Professional & Technical Services Expenses:

- Banking Fees
- Consulting Services
- Larimer County Fees
- Legal Services

- **2014** – Foothills Mall URA reimbursable expenses paid to developer.
- **2017-2019** – EPS consulting services for Drake & College URA analysis.
- **2017 forward** – Increase in Larimer County fees as Foothills Mall URA starts generating TIF.
- **2019** – Consulting, legal and banking fees related to Prospect South URA refinancing.
- **2019 forward** – Utilization of non-City legal representation for URA.
- **2019 forward** – Purchase of non-City liability insurance for the URA.
- **2020** – North College URA outreach and visioning expenses.
- **2021** – North College URA reimbursement to PDT for ROW from Lyric.

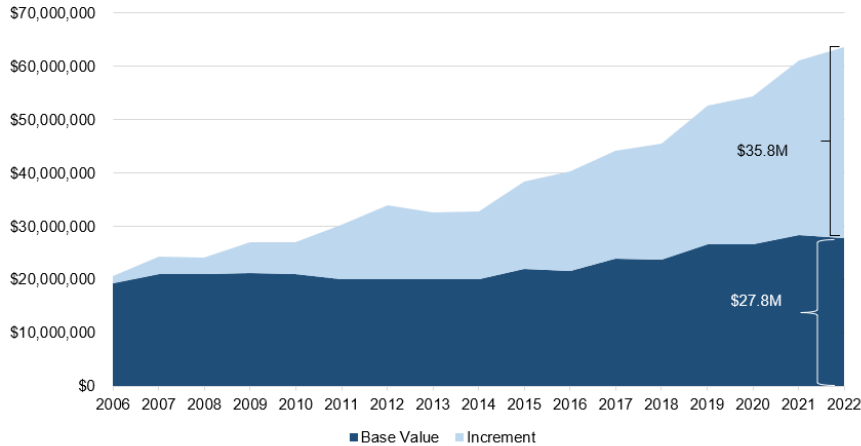
## 2024 Cashflow Forecast

Expense Type	North College	Prospect South
Cash Inflows 2024	\$4,389,941	\$883,849
Cash Outflows 2024	(\$1,735,693)	(\$458,794)
Net Change in Cash 2024	\$2,654,248	\$425,055
Projected Ending Cash Balance 2023	\$4,532,549	\$1,437,062
Projected Ending Cash Balance 2024	\$7,186,797	\$1,862,117
Restricted Cash Balance 2024	(\$946,363)	(\$370,194)
<b>Net Available Cash Balance Ending 2024</b>	<b>\$6,240,434</b>	<b>\$1,491,923</b>

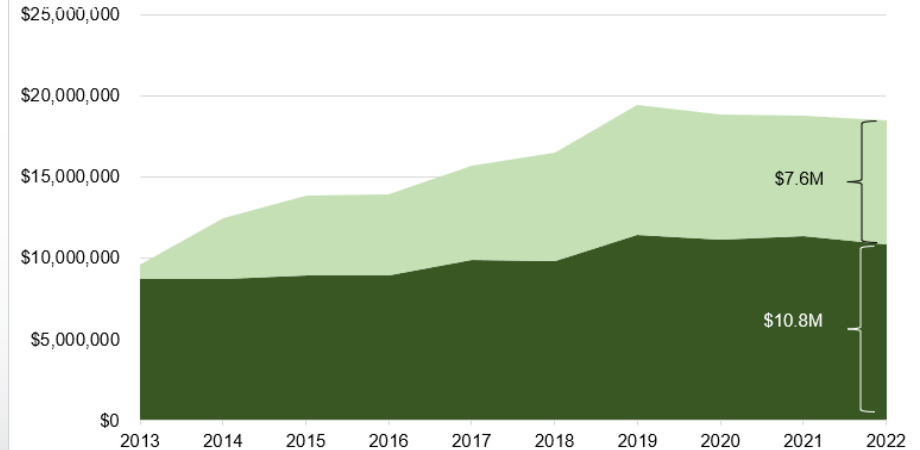


# Property Assessment Increment Through 2022 Assessments

North College URA Property Assessment Values  
2006-2022

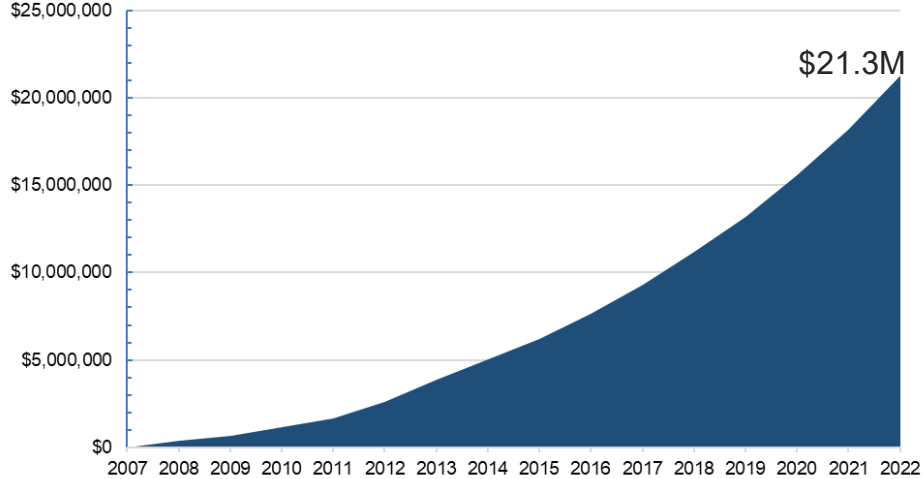


Prospect South URA Property Assessment Values  
2013-2022

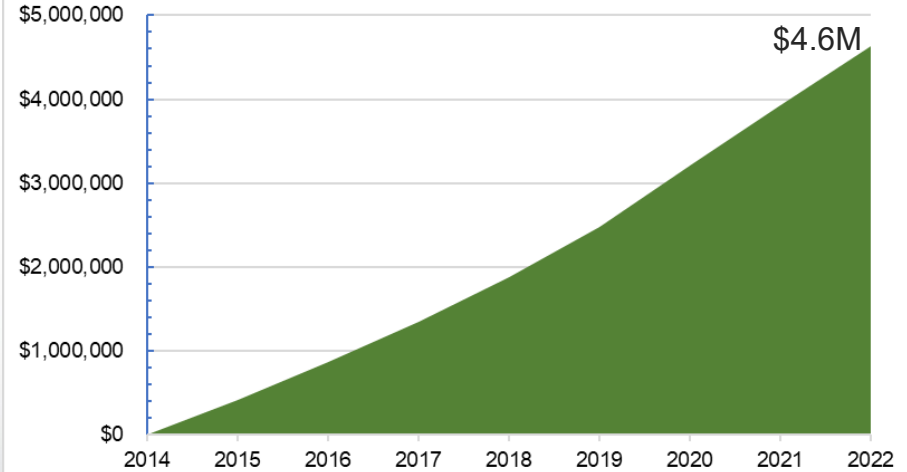


## Tax Increment Collections Through 2022

North College URA Cumulative TIF Collections



Prospect South URA Cumulative TIF Collections



**What additional information would be helpful prior to adoption of the budget?**



## Fort Collins Urban Renewal Authority (URA) Budget Message Fiscal Year 2024 Budget

### Budget Features

The URA's 2024 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, the Foothills District, and the Drake & College District. The budget includes revenues from property and sales tax increment (where applicable), interest earned on investments, and expenses which include general operations, project obligations and debt service payments.

The URA aims to deliver services which achieve the objectives specified by the individual urban renewal plans for each of the four districts. 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.

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Section H, Item 2.

### EXHIBIT A

#### Summary of the Adopted 2024 URA Budgets

- North College URA

1) Tax Increment Collections in 2024 are based on the August 2023 certification



of the 2023 property tax (that will be collected in 2024) with a projected a 45% increase in TIF revenue for 2024.

2) The Larimer County Fee 2% of tax collections remitted to the County. The 2024 budget is based on the August 2023 certification of the 2023 property tax (that will be collected in 2024) with a projected a 45% increase in TIF revenue for 2024.

3) Operating expenses are budgeted 6% higher in 2024 than 2023 due to increase in personnel costs, increases in consulting and legal services in anticipation of work on Albertson's site.

4) The Lyric redevelopment agreement will require an estimated \$19k in payments in 2023.

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Section H, Item 2.

- Prospect South URA

1) Tax Increment Collections in 2024 are based on the August 2023 certification of the 2023 property tax (that will be collected in 2024) with a projected a 28% increase in TIF revenue for 2024.

2) The Larimer County Fee 2% of tax collections remitted to the County. The 2024 budget is based on the August 2023 certification of the 2023 property tax (that will be collected in 2024) with a projected a 28% increase in TIF revenue for 2024.

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) Tax Increment Collections in 2024 are based on the August 2023 certification of the 2022 property tax (that will be collected in 2024) with a projected a -25% decrease in TIF revenue for 2024.

2) Sales Tax Increment Collections for 2023 are \$661,753. The 2024 budgets are somewhat conservative at \$400,000 due to the unknown schedule for the redevelopment of the 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.

- Drake & College District URA

1) Property tax increments collections are forecast at less than \$2,000 for each year based on 2021, 2022, and 2023 collections. There are no expenses anticipated for this URA in 2024 so we did not enter a budget for approval for this URA.

**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  
2023-2024 BUDGET REQUEST**

	2021 Actual	2022 Actual	2023 Budget	2024 Budget Request	2023-2024 \$ Budget Change	2022-2023 % Change
<b>Revenue:</b>						
Property Tax Increment Collections	\$2,601,592	\$3,039,356	\$3,030,000	\$4,389,941	\$1,359,941	45%
Interest on Investments	(11,936)	(144,609)	31,364	32,800	1,436	5%
<b>Total Revenue</b>	<b>\$2,589,656</b>	<b>\$2,894,747</b>	<b>\$3,061,364</b>	<b>\$4,422,741</b>	<b>\$1,361,377</b>	<b>44%</b>
<b>Expenses:</b>						
Operations						
General Operations/Admin	\$231,374	\$239,077	\$356,366	\$379,764	\$23,398	7%
Larimer County Fee	52,104	60,787	60,600	62,420	1,820	3%
Developer Payment	43,650	9,939	18,000	19,000	1,000	6%
<b>Operational Costs</b>	<b>\$327,128</b>	<b>\$309,803</b>	<b>\$434,966</b>	<b>\$461,184</b>	<b>\$26,218</b>	<b>6%</b>
Debt Service - Bonds						
Principal	\$665,000	\$690,000	\$715,000	\$745,000	\$30,000	4%
Interest	283,963	257,363	229,763	201,163	(28,600)	-12%
<b>Debt Service Costs</b>	<b>\$948,963</b>	<b>\$947,363</b>	<b>\$944,763</b>	<b>\$946,163</b>	<b>\$1,400</b>	<b>0%</b>
Debt Service - RMI2						
Principal	\$288,568	\$295,781	\$311,884	\$319,681	\$7,797	2%
Interest	31,320	24,047	16,462	8,665	(7,797)	-47%
<b>Debt Service Costs</b>	<b>\$319,888</b>	<b>\$319,828</b>	<b>\$328,346</b>	<b>\$328,346</b>	<b>\$0</b>	<b>0%</b>
<b>Total Expense</b>	<b>\$1,595,979</b>	<b>\$1,576,994</b>	<b>\$1,708,075</b>	<b>\$1,735,693</b>	<b>\$27,618</b>	<b>2%</b>
<b>Net Change in Fund Balance</b>	<b>\$993,678</b>	<b>\$1,317,753</b>	<b>\$1,353,290</b>	<b>\$2,687,049</b>	<b>\$336,110</b>	<b>25%</b>
Prior Year Fund Balance	\$2,221,118	\$3,214,796	\$4,532,549	\$5,885,838		
<b>Current Year Projected Fund Balance</b>	<b>\$3,214,796</b>	<b>\$4,532,549</b>	<b>\$5,885,838</b>	<b>\$8,572,887</b>		

**Notes**

- 2024 Property Tax based was based originally on the 2022 TIF Warrant with an inflation value applied. Increment was increased by \$1,268k to reflect the preliminary values in the August, 2023 report.
- Operating expenses are budgeted 6% higher in 2024 due to a partial Business Support position added, minimal annual increases in personnel costs and anticipated inflationary costs.
- In 2022, URA payment due on the Lyric project per the redevelopment agreements was \$9,939. This is expected to be \$19,000 in 2023.
- Outstanding debt at the end of:

	2023	2024
Market Bonds	\$4,945,000	\$4,200,000
RMI2 GF Debt	\$346,594	\$26,913
	<u>\$5,291,594</u>	<u>\$4,226,913</u>

**URBAN RENEWAL AUTHORITY  
PROSPECT SOUTH DISTRICT  
2023-2024 BUDGET REQUEST**

	2021 Actual	2022 Actual	2023 Budget	2024 Budget Request	2023-2024 \$ Budget Change	2023-2024 % Change
<b>Revenue:</b>						
Property Tax Increment Collections	\$723,551	\$689,385	\$691,000	\$883,849	\$192,849	28%
Interest on Investments	(3,758)	(42,905)	9,382	9,812	430	5%
<b>Total Revenue</b>	<b>\$719,793</b>	<b>\$646,480</b>	<b>\$700,382</b>	<b>\$893,661</b>	<b>\$193,279</b>	<b>26%</b>
<b>Expenses:</b>						
Operations						
General Operations/Admin	\$42,018	\$37,890	\$67,250	\$67,250	\$0	0%
Larimer County Fee	14,471	13,788	14,000	14,500	500	4%
Developer Payment	11,762	11,762	12,000	12,000	0	0%
<b>Operational Costs</b>	<b>\$68,251</b>	<b>\$63,440</b>	<b>\$93,250</b>	<b>\$93,750</b>	<b>\$500</b>	<b>1%</b>
Debt Service - Bonds						
Principal	\$220,000	\$230,000	\$240,000	\$250,000	\$10,000	4%
Interest	149,544	138,544	127,044	115,044	(12,000)	-9%
<b>Debt Service Costs</b>	<b>\$369,544</b>	<b>\$368,544</b>	<b>\$367,044</b>	<b>\$365,044</b>	<b>(\$2,000)</b>	<b>-1%</b>
<b>Total Expense</b>	<b>\$437,795</b>	<b>\$431,984</b>	<b>\$460,294</b>	<b>\$458,794</b>	<b>(\$1,500)</b>	<b>0%</b>
<b>Net Change in Fund Balance</b>	<b>\$281,998</b>	<b>\$214,496</b>	<b>\$240,088</b>	<b>\$434,867</b>	<b>(\$65,934)</b>	<b>-27%</b>
Prior Year Fund Balance	\$940,568	\$1,222,566	\$1,437,062	\$1,677,150		
<b>Current Year Projected Fund Balance</b>	<b>\$1,222,566</b>	<b>\$1,437,062</b>	<b>\$1,677,150</b>	<b>\$2,112,017</b>		

**Notes**

- 2024 Property Tax based was based originally on the 2022 TIF Warrant with an inflation value applied. Increment was increased by \$179,849 to reflect the preliminary values in the August, 2023 report.

- Outstanding debt at the end of:

	2023	2024
Market Bonds	\$4,080,000	\$3,830,000

**URBAN RENEWAL AUTHORITY  
FOOTHILLS MALL DISTRICT  
2023-2024 BUDGET REQUEST**

	2021 Actual	2022 Actual	2023 Budget	2024 Budget Request	2023-2024 \$ Budget Change	2022-2023 % Change
<b>Revenue:</b>						
Property Tax Increment Collections	\$3,880,085	\$3,327,492	\$3,321,000	\$2,486,621	(\$834,379)	-25%
Sales Tax Increment	(5,394)	661,753	400,000	600,000	200,000	50%
Interest on Investments	2,917	6,913	0	0	0	
<b>Total Revenue for the URA</b>	<b>\$3,877,608</b>	<b>\$3,996,158</b>	<b>\$3,721,000</b>	<b>\$3,086,621</b>	<b>(\$634,379)</b>	<b>-17%</b>
<b>Expenses:</b>						
Operations						
General Operations/Admin	\$58,201	\$42,882	\$70,000	\$72,000	\$2,000	3%
Larimer County Fee	77,602	66,550	67,000	68,000	1,000	1%
<b>Operational Costs</b>	<b>\$135,803</b>	<b>\$109,432</b>	<b>\$137,000</b>	<b>\$140,000</b>	<b>\$3,000</b>	<b>2%</b>
<b>Developer Payment</b>	<b>\$3,745,969</b>	<b>\$3,869,732</b>	<b>\$3,700,000</b>	<b>2,930,864</b>	<b>(\$769,136)</b>	<b>-21%</b>
<b>Total Expense</b>	<b>\$3,881,772</b>	<b>\$3,979,164</b>	<b>\$3,837,000</b>	<b>\$3,070,864</b>	<b>(\$766,136)</b>	<b>-20%</b>
<b>Net Change in Fund Balance</b>	<b>(\$4,164)</b>	<b>\$16,994</b>	<b>(\$116,000)</b>	<b>\$15,757</b>	<b>\$131,757</b>	
Prior Year Fund Balance	\$7,621	\$3,457	\$20,451	(\$95,549)	(\$79,792)	
Current Year Projected Fund Balance	\$3,457	\$20,451	(\$95,549)	(\$79,792)	\$51,965	

**Notes**

- 2024 Property Tax based was based originally on the 2022 TIF Warrant with an inflation value applied. Increment & Dev payment estimate was decreased to reflect the preliminary values in the August, 2023 report.
- 2023 Sales Tax increment based on estimate of average collection over the last few years