

RESOLUTION NO. 101
OF THE BOARD OF COMMISSIONERS OF THE FORT COLLINS
URBAN RENEW AUTHORITY ADOPTING A REVISED 2019 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 revised proposed budget for fiscal year 2019 for each of the Districts and it wishes to adopt them as the URA's fiscal year 2019 revised 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 2019 revised 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 2019 revised 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 2019 revised 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 revised 2019 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 "2019 Revised URA Budget".

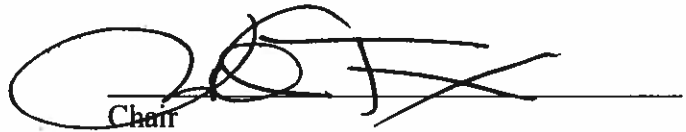
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL AUTHORITY as follows:

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

Section 2. That the 2019 Revised URA Budget is hereby approved and the revenue amounts stated therein are appropriated for expenditure as stated in the 2019 Revised 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 2019 Revised 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 2019 Revised Budget**

Budget Features

The URA's 2019 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.

Changes from the Adopted 2019 URA Budgets

Increases to appropriations are needed for:

- Prospect South URA
 - 1) Repayment of operating costs to North College URA reflected in General Operations increase. In 2019, the Prospect URA reimbursed the North College URA for administrative costs through 2018. This requires an increase in appropriation in Fund 801 of \$249,117 (from \$429,364 to \$678,481).
- Foothills Mall URA
 - 1) Repayment of operating costs to North College URA reflected in General Operations increase. The City keeps 1.5% of the Property Tax increment for administrative costs. In 2019, the Foothill URA used the funds collected through

EXHIBIT A

2018 to reimburse the North College URA for administrative costs. Net increase to appropriation \$83,878.

- 2) Higher than budgeted Property Tax increment, partially offset by lower Sales Tax increment increased the repayment to the developer for debt service. Net increase to appropriation \$364,016 (includes increase in Larimer County Fee).

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
2019 BUDGET REVISION**

	Original Budget	Revised Budget	Difference
Revenue:			
Tax Increment Collections	\$1,799,193	\$1,978,124	\$178,931
Interest on Investments	21,717	25,000	3,283
Total estimated Revenue for the URA	\$1,820,910	\$2,003,124	\$182,214
Expenses:			
Operations			
General Operations	\$396,101	(\$14,436)	(\$410,537)
Larimer County Fee	62,948	39,562	(23,386)
Developer Obligations	183,211	178,575	(4,636)
One-Time Stormwater Contribution	300,000	300,000	0
Total Operational Costs	\$942,260	\$503,701	(\$438,559)
Annual Debt Service Payments			
2013 Bond Payment	\$948,963	\$948,963	\$0
Rocky Mountain Innosphere	343,743	367,195	23,452
Total Debt Service Payments	\$1,292,706	\$1,316,158	\$23,452
2019 Budget Appropriation	\$2,234,966	\$1,819,859	(\$415,107)
Net Change in Fund Balance	(\$414,056)	\$183,265	\$597,321

NO APPROPRIATION ACTION NEEDED

- The negative amount in General Operations for the 2019 Revised Budget reflects the cumulative repayment of operating expenses from the Prospect South URA and the Foothill URA through 2018. Since the repayments are up-to-date, 2020 and out will reflect one year of expenses.
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**URBAN RENEWAL AUTHORITY
PROSPECT SOUTH DISTRICT - FUND 801
2019 BUDGET REVISION**

	Original Budget	Revised Budget	Difference
Revenue:			
Tax Increment Collections	\$518,118	\$604,833	\$86,715
Interest on Investments	<u>15,316</u>	<u>10,000</u>	<u>(5,316)</u>
Total estimated Revenue for the URA	\$533,434	\$614,833	\$81,399
Expenses:			
Operations			
General Operations	\$2,079	\$226,139	\$224,060
Larimer County Fee	10,751	12,097	1,346
Developer Obligations	<u>11,762</u>	<u>11,762</u>	<u>0</u>
Total Operational Costs	\$24,592	\$249,998	\$225,406
Annual Debt Service Payments			
Capstone	\$279,811	\$279,811	\$0
Prospect Station	17,459	17,459	0
Revenue Sharing with City (Capstone)	<u>107,502</u>	<u>131,213</u>	<u>23,711</u>
Total Debt Service Payments	\$404,772	\$428,483	\$23,711
2020 Budget Appropriation	<u>\$429,364</u>	<u>\$678,481</u>	<u>\$249,117</u>
<i>Net Change in Fund Balance</i>	<i>\$104,070</i>	<i>(\$63,648)</i>	<i>(\$167,718)</i>

NEED TO INCREASE APPROPRIATION FOR 2019 by \$249,117

- Repayment of operating costs to North College URA reflected in General Operations increase. In 2019, the Prospect URA reimbursed the North College URA for administrative costs through 2018.

**URBAN RENEWAL AUTHORITY
FOOTHILLS DISTRICT - FUND 803
2019 BUDGET REVISION**

	Original Budget	Revised Budget	Difference
Revenue:			
Property Tax Increment	\$2,429,393	\$3,172,599	\$743,206
Sales Tax Increment Collections	809,798	476,928	(332,870)
Interest on Investments	0	5,263	5,263
Total estimated Revenue for the URA	\$3,239,191	\$3,654,790	\$415,599
Expenses:			
Operations			
Larimer County Fee	\$64,516	\$64,721	\$205
Administrative Charges	0	83,878	83,878
Total Operational Costs	\$64,516	\$148,599	\$84,083
Annual Debt Service Payments			
Foothills Metro District Bond	\$3,174,675	\$3,538,486	\$363,811
Total Debt Service Payments	\$3,174,675	\$3,538,486	\$363,811
2020 Budget Appropriation	\$3,239,191	\$3,687,085	\$447,894
<i>Net Change in Fund Balance</i>	<i>\$0</i>	<i>(\$32,295)</i>	<i>(\$32,295)</i>

NEED TO INCREASE APPROPRIATION FOR 2019 by \$447,894

- Higher than budgeted Property Tax increment, partially offset by lower Sales Tax increment increased the repayment to the developer for debt service.
- The City keeps 1.5% of the Property Tax increment for administrative costs. In 2019, the Foothill URA used the funds collected through 2018 to reimburse the North College URA for administrative costs.