

December 9, 2008

URBAN RENEWAL AUTHORITY

A regular meeting of the Urban Renewal Authority was held on Tuesday, October 7, 2008, at 10:10 p.m. in the Council Chambers of the City of Fort Collins City Hall. Roll Call was answered by the following Boardmembers: Manvel, Ohlson, Poppaw, Roy, and Troxell.

Boardmembers Absent: Hutchinson.

(Boardmember Brown excused from Council meetings from October 28, 2008 through April 7, 2009, authorized by Resolution 2008-104.)

Staff Members Present: Atteberry, Krajicek, Roy.

Minutes Approved

Boardmember Poppaw made a motion, seconded by Boardmember Manvel, to approve the minutes from the September 16 and October 7, 2008 meetings. Yeas: Manvel, Ohlson, Poppaw, Roy, and Troxell. Nays: none.

Items Relating to the Issuance of City of Fort Collins

Urban Renewal Authority 2008 Promissory Note and Related Loan Agreement, Adopted

The following is staff's memorandum on this item.

"FINANCIAL IMPACT

These Resolutions authorize the issuance of City of Fort Collins, Colorado, Urban Renewal Authority Promissory Note in the amount of \$250,000 for the purpose of financing the 2008 and 2009 operational budgets of the Urban Renewal Authority.

Based on updated projections of tax increment revenue, the Urban Renewal Authority Debt Service Fund holds approximately \$286,000 of unreserved available fund balance which is sufficient to meet all required debt service payments through the end of 2008.

EXECUTIVE SUMMARY

- A. *Resolution No. 013 Approving a Loan Agreement Between the Fort Collins Urban Renewal Authority and Home State Bank.*
- B. *Resolution No. 014 Appropriating Proceeds from A Promissory Note to Fund Activities in the North College Urban Renewal Plan Area and Appropriating Reserves in the Urban Renewal Authority Debt Service Fund for Payments on the Promissory Note.*

The City of Fort Collins created the Urban Renewal Authority ("URA") to make desired improvements in the North College Avenue Plan area and future plan areas as may be approved by the URA Commission. The resolutions authorize the issuance of \$250,000 in a short-term promissory note to fund the URA annual operating budgets as follows:

- **2008** \$155,000 for administrative expenses (includes all or a portion of three positions in the City Planning and Community Development Department). As of October 31, 2008, approximately \$92,000 of the annual budget had been spent.
- **2009** \$95,000 for administrative expenses (includes all or a portion of three positions in the City Planning and Community Development Department). It should be noted that the overall budget for 2009 was \$160,000. The remaining \$65,000 will likely be funded by the issuance of another promissory note in 2009.

The method of utilizing tax increment for both the Downtown Development Authority and the URA is that property taxes are collected in the Debt Service Fund and then transferred to the Operating Fund for funding improvements and operational expenditures as debt is created between the City and the URA and or outside third parties. The resolutions above create the debt (in this case a promissory note) to fund both the 2008 and a significant portion of 2009's operating budgets.

It should be noted that costs related to funding major improvements such as the North College Marketplace Project will be handled in separate financing transactions. Those transactions will utilize the tax increment to be generated by those improvements to fund what will likely be internal and third party bond issues.


On November 6, 2008, staff reviewed the issuance of the \$250,000 promissory note with the North College Citizens' Advisory Group (CAG). Although no formal recommendation was made, the group was comfortable with the actions as outlined above."

Boardmember Manvel made a motion, seconded by Boardmember Roy, to adopt Resolution No. 013. Yeas: Manvel, Ohlson, Poppaw, Roy, and Troxell. Nays: none.

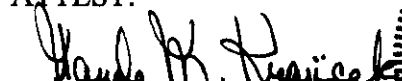
Boardmember Roy made a motion, seconded by Boardmember Manvel, to adopt Resolution No. 014. Yeas: Manvel, Ohlson, Poppaw, Roy, and Troxell. Nays: none.

Adjournment

The meeting adjourned at 10:15 p.m.


Mayor, Ex Officio President

ATTEST:


City Clerk, Ex Officio Secretary

