

AGENDA ITEM SUMMARY

URBAN RENEWAL AUTHORITY

ITEM NUMBER: 3

DATE: October 7, 2008

STAFF: Joe Frank
Chuck Seest

SUBJECT

Resolution No. 012 Adopting a Budget for the Fort Collins Urban Renewal Authority.

RECOMMENDATION

Staff recommends adoption of the Resolution.

FINANCIAL IMPACT

This Resolution includes the annual operating appropriation for 2009 of \$160,000 in the URA Operating Fund and the annual debt service appropriation of \$38,000 in the URA Debt Service Fund. Any specific appropriations related to URA participation in projects (such as the North College Marketplace) will be presented to the Board of Commissioners separately so that the URA funding is approved on a project by project basis.

EXECUTIVE SUMMARY

The sum of \$280,000 is anticipated to be collected from the tax increment generated within the North College Avenue Urban Renewal Authority Plan Area for fiscal year 2009. The tax increment will be collected in the Debt Service Fund and then transferred to the Operating Fund as debt is created between the City and the URA and or outside third parties for larger projects. The estimated year-end fund balance of \$250,000 in the URA Operating Fund will be the source for the following recommended operating appropriations:

- \$160,000 for administrative expenses (includes all or a portion of three positions in the City Planning and Community Development Department).

The anticipated tax increment in the URA Debt Service Fund will be the source for the following recommended debt service appropriations:

- \$38,000 in annual debt service on the loan from the City of Fort Collins' Stormwater Utility approved by City Council on April 4, 2006,

On October 2, 2008, staff reviewed the 2009 Budget with the North College Citizens' Advisory Group (CAG). Although no formal recommendation was made, the group was comfortable with the budget as outlined above.

BACKGROUND

This resolution appropriates the operating and debt service budget for the Urban Renewal Authority ("URA"). Specific project commitments as identified and reviewed by the North College Citizens' Advisory Group will still require future approval by the URA Board of Commissioners on a project by project basis.

Should significant projects materialize that require URA appropriations from the URA Operating Fund, a request for both approval of the project and the necessary appropriations and related financing will be presented to the Commission. The only appropriations covered by the budget appropriation are for the administrative and debt service expenses. Prior to 2007, the City's Planning and Community Development Department budget (General Fund) covered all URA administrative expenses.

The total tax increment revenue for the North College Plan Area in 2009 is projected to be \$280,000. By 2010, total tax increment revenue is anticipated to be \$750,000. Any debt incurred by the URA in 2009 will be structured with repayment beginning in 2010 as tax increment revenue resulting from the project will then be sufficient to service the debt.

RESOLUTION NO. 012
OF THE BOARD OF COMMISSIONERS OF THE
FORT COLLINS URBAN RENEWAL AUTHORITY
ADOPTING A BUDGET FOR THE
FORT COLLINS URBAN RENEWAL AUTHORITY

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

WHEREAS, the Authority operates to eliminate blight and prevent the spread of blight within the urban renewal area in accordance with the Urban Renewal Law of Colorado, Section 31-25-101; and

WHEREAS, the Authority has considered a proposed budget for fiscal year 2009 and wishes to adopt the same.

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

Section 1. That the attached budget is hereby approved and the amounts stated therein are appropriated for the fiscal year 2009.

Section 2. That the City of Fort Collins' Financial Officer is directed to file a certified copy of the attached budget with the office of the Division of Local Government, Department of Local Affairs, State of Colorado.

Passed and adopted at a regular meeting of the Board of Commissioners of the Fort Collins Urban Renewal Authority this 7th day of October A.D. 2008.

Chairperson

ATTEST:

Secretary

URBAN RENEWAL AUTHORITY

2009 BUDGET

Appropriations for the URA Operating Fund:

Administration of the Urban Renewal Authority \$ 160,000

Appropriations for the URA Debt Service Fund:

Annual Debt Service for the North College Plan Area:

Debt Service on Loan from the City Of Fort Collins'
Stormwater Utility (Resolution Approved April 4, 2006) 38,000

Total 2009 Urban Renewal Authority Budget \$ 198,000