

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 23

DATE: October 20, 2009

STAFF: Matt Robenalt
Kathy Cardona

SUBJECT

First Reading of Ordinance No. 111, 2009, Appropriating Downtown Development Authority Operating Funds, Debt Service Funds and Fixing the Mill Levy for Fiscal Year 2010.

RECOMMENDATION

Staff recommends adoption of this Ordinance on First Reading.

At its August 13, 2009 meeting, the Downtown Development Authority Board of Directors (the "Board") adopted its proposed budget for 2010 totaling \$7,577,054 and determined the mill levy necessary to provide for payment of administrative costs incurred by the DDA.

FINANCIAL IMPACT

This Ordinance sets the Fort Collins Downtown Development Authority budget for fiscal year 2010 and represents the annual appropriation for fiscal year 2010 in the amount of \$7,577,054. The Ordinance also sets the Fort Collins Downtown Development Authority mill levy at five (5) mills, unchanged since 2002.

DDA Operations and Maintenance: \$1,024,682
DDA Debt Service: \$6,552,372

EXECUTIVE SUMMARY

This Ordinance adopts the 2010 Budget for the Downtown Development Authority (DDA) and sets the amount of \$7,577,054 to be appropriated for fiscal year 2010. This Ordinance also sets the 2010 mill levy for the Downtown Development Authority at five mills, unchanged since 2002.

BACKGROUND

The Downtown Development Authority (the "DDA") was created in 1981 with the purpose, according to State statute, of planning and implementing projects and programs within the boundaries of the DDA. The DDA and City adopted a Plan of Development that specifies the projects and programs the DDA would undertake. In order to carry out the purposes of the State

statute and the Plan of Development the City, on behalf of the DDA, has issued various notes and tax increment bonds.

In addition to the projects financed using the tax increment, the DDA has the ability under State law to assess a mill levy for administration, operations, and maintenance purposes. The mill levy proposed by the Board of Directors for 2010 is five mills. Estimated revenue from the mill levy for 2010 is \$590,379. The total operating budget for 2010 is \$1,024,682.

The DDA also asks Council to appropriate funds from the Downtown Development Authority Debt Service Fund for current debt payments. The current debt includes outstanding bonds and the 2010 payment for its one-third share of the Civic Center Parking Structure. The DDA Board adopted Resolution 2009-08 on August 13, 2009, recommending the payment of debt service on the outstanding bonds and the payment of the DDA share of the Civic Center Parking Structure debt payment.

ATTACHMENTS

1. DDA Resolution 2009-06 Recommending to the Fort Collins City Council the Determining and Fixing of the Mill Levy of the Downtown Development Authority for the Fiscal Year Ending December 31, 2010.
2. DDA Resolution 2009-07 Approving and Recommending to the Fort Collins City Council the Budget of the Estimated Amounts Required to Pay the Expenses of Conducting the Business of the Downtown Development Authority for the Fiscal Year Ending December 31, 2010.
3. DDA Resolution 2009-08 Recommending to the Fort Collins City Council the Appropriation of \$6,552,372 from the Downtown Development Authority Debt Service Fund for Payment of Debt Service for the Fiscal Year ending December 31, 2010.

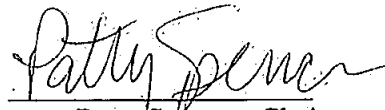
**RESOLUTION 2009-06
OF THE BOARD OF DIRECTORS OF THE FORT COLLINS DOWNTOWN
DEVELOPMENT AUTHORITY RECOMMENDING TO THE FORT COLLINS
CITY COUNCIL THE DETERMINING AND FIXING OF THE MILL LEVY OF
THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY FOR THE
FISCAL YEAR ENDING DECEMBER 31, 2010**

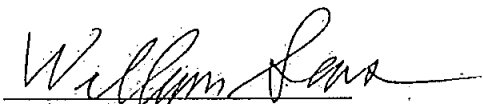
WHEREAS, the Fort Collins Downtown Development Authority has been duly organized in accordance with the Colorado Revised Statutes 31-25-804, 1973 as amended; and,

WHEREAS, the Board of Directors of the Fort Collins Downtown Development Authority finds that a mill levy of five (5) mills to be sufficient to meet the operational and administrative needs of the Authority for fiscal year 2010,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY, to recommend to the Council of the City of Fort Collins the mill levy rate for taxation upon all the taxable property within the Fort Collins Downtown Development Authority District for the fiscal year ending December 31, 2010 be set at five (5) mills which is sufficient to raise ad valorem revenues for the 2010 Operations and Maintenance Budget as approved by the Fort Collins Downtown Development Authority which levy represents the amount of taxes for the Fort Collins Downtown Development Authority (however, said mill levy is subject to change based on the assessor's calculations which have not been published at this time). Said mill levy shall be distributed to general expense, which levy as so distributed shall be certified by the County Assessor and the Board of the County Commissioners of Larimer County, Colorado by the City Clerk as provided by law.

Passed and adopted at a regular meeting of the Board of Directors of the Fort Collins Downtown Development Authority this 13th day of August, 2009.


Patty Spencer, Chair


William Sears, Secretary

RESOLUTION 2009-07

OF THE BOARD OF DIRECTORS OF THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY APPROVING AND RECOMMENDING TO THE FORT COLLINS CITY COUNCIL THE BUDGET OF THE ESTIMATED AMOUNTS REQUIRED TO PAY THE EXPENSES OF CONDUCTING THE BUSINESS OF THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY FOR THE FISCAL YEAR ENDING DECEMBER 31, 2010

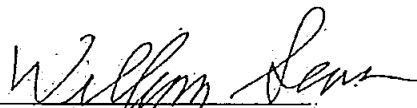
WHEREAS, the Fort Collins Downtown Development Authority has been duly organized in accordance with the Colorado Revised Statutes 31-25-804, 1973 as amended; and,

WHEREAS, the Board of Directors of the Downtown Development Authority shall under Colorado Revised Statutes, 31-25-816, 1973 adopt a budget of the estimated revenues and expenditures to be received and incurred during fiscal year ending December 31, 2010.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DOWNTOWN DEVELOPMENT AUTHORITY that the following budget is adopted for the fiscal year ending December 31, 2010 and therefore recommends to the Council of the City of Fort Collins the adoption of this budget.

Revenues:	
Ad Valorem Taxes	\$590,379
Auto Specific Ownership Tax	42,024
Interest Earnings	3,000
Licenses and Permits	1,800
Project Mgmt.	332,000
Enterprise Zone	75,000
TOTAL	\$1,044,203
Expenditures:	
Personnel Services	\$424,267
Contractual Services	534,470
Commodities	40,945
Other	25,000
TOTAL	\$1,024,682

Passed and adopted at a regular meeting of the Board of Directors of the Fort Collins Downtown Development Authority this 13th day of August, 2009.


William Sears, Secretary


Patty Spence, Chair

RESOLUTION 2009-08

OF THE BOARD OF DIRECTORS OF THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY RECOMMENDING TO THE FORT COLLINS CITY COUNCIL THE APPROPRIATION OF \$6,294,979 (SIX MILLION, TWO HUNDRED NINETY FOUR THOUSAND, NINE HUNDRED AND SEVENTY NINE DOLLARS) AND \$257,393 (TWO HUNDRED FIFTY SEVEN THOUSAND, THREE HUNDRED AND NINETY THREE DOLLARS) FROM THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY DEBT SERVICE FUND FOR PAYMENT OF DEBT SERVICE AND THE DDA'S OBLIGATION FOR THE CIVIC CENTER PARKING STRUCTURE FOR THE FISCAL YEAR ENDING DECEMBER 31, 2010

WHEREAS, the Fort Collins Downtown Development Authority has been duly organized in accordance with the Colorado Revised Statutes 31-25-804, 1973 as amended; and,

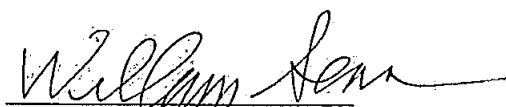
WHEREAS, pursuant to Ordinance No. 15, 1983, the Council of the City of Fort Collins established a special fund consisting of separate accounts for: (1) operation and maintenance expenses of the Fort Collins Downtown Development Authority; (2) tax increment funds received by the Fort Collins Downtown Development Authority; and (3) project funds consisting of proceeds of bonds, loans, and other forms of indebtedness; and

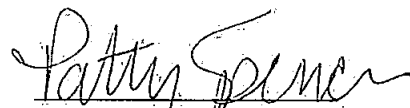
WHEREAS, Section 2 of Ordinance No. 95, 1987 provides the tax increment monies will be pledged to the payment of principal and interest on Bonds; and

WHEREAS, principal and interest on the bonds is due and payable.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FORT COLLINS DOWNTOWN DEVELOPMENT AUTHORITY, that it recommends to the Council of the City of Fort Collins the appropriation for expenditure in 2010 from the tax increment fund, the sum of \$6,552,372 (Six million, five hundred fifty two thousand, three hundred and seventy two dollars) for payment of debt service on outstanding tax increment and lease certificates of participation bonds authorized by the Council of the City of Fort Collins.

Passed and adopted at a regular meeting of the Board of Directors of the Fort Collins Downtown Development Authority this 13th day of August, 2009.


William Sears, Secretary


Patty Spencer, Chair

ORDINANCE NO. 111, 2009
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING DOWNTOWN DEVELOPMENT AUTHORITY OPERATING
FUNDS, DEBT SERVICE FUNDS, AND FIXING THE MILL LEVY
FOR FISCAL YEAR 2010

WHEREAS, the Fort Collins Downtown Development Authority (the "DDA") has been duly organized in accordance with Section 31-25-804, C.R.S.; and

WHEREAS, on August 13, 2009, the DDA Board of Directors (the "DDA Board"), acting under the provisions of Section 31-25-816, C.R.S., adopted a budget for the fiscal year beginning January 1, 2010, and determined the mill levy necessary to provide for payment during fiscal year 2010 of all properly authorized expenditures to be incurred by the DDA; and

WHEREAS, it is the desire of the City Council to appropriate the sum of SEVEN MILLION, FIVE HUNDRED SEVENTY SEVEN THOUSAND FIFTY FOUR DOLLARS (\$7,577,054) in the DDA Operation and Maintenance Fund and the Debt Service Fund for the fiscal year beginning January 1, 2010 and ending December 31, 2010, to be used as follows:

DDA Operations and Maintenance	\$1,024,682
DDA Debt Service Fund	6,552,372

WHEREAS, the DDA Board has recommended to the City Council a mill levy of 5.0 mills upon each dollar of assessed valuation of all taxable property within the DDA District, such levy representing the amount of taxes for DDA purposes necessary to provide for payment during the ensuing fiscal year for all property authorized expenditures to be incurred by the DDA; and

WHEREAS, Section 39-5-128(1), C.R.S., requires certification of any tax levy to the Board of County Commissioners no later than December 15, 2009.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS, as follows:

Section 1. That there is hereby appropriated for expenditure from the Downtown Development Authority Operations and Maintenance Fund the sum of ONE MILLION TWENTY FOUR THOUSAND, SIX HUNDRED AND EIGHTY TWO DOLLARS (\$1,024,682), to be expended for the authorized purposes of the Downtown Development Authority.

Section 2. That there is hereby appropriated for expenditure from the Downtown Development Authority Debt Service Fund the sum of SIX MILLION, FIVE HUNDRED FIFTY TWO THOUSAND THREE HUNDRED AND SEVENTY TWO DOLLARS (\$6,552,372), for payment of debt service on previously issued and outstanding bonds and to be used to cover the Downtown Development Authority's one-third share of payment on the Civic Center Parking Structure.

Section 3. That the 2010 mill levy rate for the taxation upon each dollar of the assessed valuation of all taxable property within the Downtown Development Authority District as of December 31, 2009 shall be five mills, which levy represents the amount of taxes to provide for payment during the aforementioned fiscal year of all properly authorized expenditures to be incurred by the Downtown Development Authority. Said mill levy shall be certified to the County Assessor and the Board of County Commissioners of Larimer County, Colorado, by the City Clerk as provided by law.

Introduced, considered favorably on first reading, and ordered published this 20th day of October, A.D. 2009, and to be presented for final passage on the 3rd day of November, A.D. 2009.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 3rd day of November, A.D. 2009.

Mayor

ATTEST:

City Clerk