

AGENDA

**CITY OF WESTMINSTER DOWNTOWN
GENERAL IMPROVEMENT DISTRICT
MEETING**

MONDAY, OCTOBER 26, 2015

AT 7:00 P.M.

1. **Roll Call**
2. **Minutes of Previous Meeting** (August 24, 2015)
3. **New Business**
 - A. Resolution No. 2 re Contract and Administrative Authority for City of Westminster Downtown General Improvement District
 - B. Downtown GID/City/WEDA Intergovernmental Cooperation Agreement
 - C. Intergovernmental Service Agreement with the City
4. **Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE DOWNTOWN
GENERAL IMPROVEMENT DISTRICT MEETING
MONDAY, AUGUST 24, 2015, AT 7:56 P.M.

ROLL CALL

Present at roll call were Chairperson Atchison, Vice Chairperson Briggs, and Board Members Baker, De Cambra, Garcia, Pinter, and Seitz. Also present were Donald M. Tripp, Executive Director, David Frankel, Attorney, and Linda Yeager, Secretary.

RESOLUTION NO. 1 CALLING FOR A SPECIAL ELECTION

It was moved by Vice Chairperson Briggs, seconded by Board Member Seitz, to adopt Resolution No. 1 calling for a special election for the City of Westminster Downtown General Improvement District to be held in November 2015. On roll call vote, the motion carried by a 6:1 vote with Board Member Baker voting no.

ADJOURNMENT

There was no further business and the meeting adjourned at 7:58 p.m.

Chairperson

ATTEST:

Secretary

Downtown GID Agenda Item 3 A

Agenda Memorandum

City of Westminster Downtown General Improvement District Meeting
October 26, 2015



SUBJECT: Resolution No. 2 re Contract and Administrative Authority for the City of Westminster Downtown General Improvement District

Prepared By: Karen Creager, Special District Accountant

Recommended Board Action

Adopt Resolution No. 2 outlining the Executive Director's authority to enter into contracts and make purchases on behalf of the City of Westminster Downtown General Improvement District and to delegate these activities to appointed City of Westminster Staff in a manner consistent with practices established for the City under the Westminster Municipal Code, as it may be amended from time to time, and all current and future administrative memoranda.

Summary Statement

- The City of Westminster Downtown General Improvement District (District) was established on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining Improvements, and/or providing services within and for the District.
- Westminster City Council serves as the ex-officio Board of the District.
- The District is a component unit of the City of Westminster (City). In accordance with Governmental Accounting Standards Board Statement (GASB) No. 14, *The Financial Reporting Entity*, and as amended by GASB Statement No. 61, *The Reporting Entity: Omnibus*, component units are legally separate entities for which the City is considered to be financially accountable. Financial accountability means that the City appoints a voting majority to the governing board and has the ability to impose its will upon the entity and/or accepts potential responsibility for the entity's financial benefits and burdens.
- Blended component units are, in substance, part of City operations. Therefore data from these units are combined with the City in its Comprehensive Annual Financial Report.
- The City's external auditors include the District as part of the City's annual audit in accordance with practices established by the City.
- Under a separate agenda action item for tonight's meeting, the City and the District is considering an intergovernmental cooperation agreement authorizing the City to provide certain administrative services and to bill the District for such services.
- The standard operating procedure (SOP) for the District is that the day-to-day activities are performed in accordance with City Code provisions and City administrative memoranda. The adoption of the attached resolution will formalize the SOP.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

Should the Board adopt the attached Resolution outlining the Executive Director's authority to enter into contracts, make purchases and administer the day-to-day activities of the District?

Alternatives

1. One alternative is to not adopt the Resolution formalizing the administration of the day-to-day activities of the District. This alternative is not recommended. Without professional staff, the District utilizes City Staff for administrative services. Additionally, the District is a blended component unit of the City with the District audited as part of the City's annual audit and subject to the same financial reporting requirements as the City. It is prudent to have the component units that are required to be included within the City's financial report adhere to the same policies and procedures as the City. Therefore, it is recommended that this Resolution be adopted to formalize what has been standard practice.
2. Another alternative is to adopt separate procedures for entering into contracts, making purchases and administering the day-to-day activities of the District. This alternative is also not recommended. Adopting procedures that differ from the City's would be administratively cumbersome and would require the City's external auditors to change their audit program for the District, thereby increasing the fee for the City's annual audit.

Background Information

The District was established on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements that may include but are not limited to public roadways, including road and pedestrian underpasses, site grading, sidewalks, parking improvements, water and sewer lines, landscaping, irrigation, site and traffic lighting, drainage improvements, site amenities such as benches, fountains, required signage, and relocating businesses and/or providing services that may include but are not limited to police and fire protection, municipal and building code enforcement, professional services including but not limited to planning, engineering, building and construction inspection, financial administration and legal services, and any other service that the City is authorized to provide within and for the District. City Council serves as the ex-officio Board of the District. Since the District does not employ its own professional staff, the City and the District are considering authorizing an intergovernmental service agreement that provides for the City to provide administrative services, including but not limited to legal, accounting, management, clerical, information technology, and similar services in exchange for consideration to the City. This agreement is being presented for approval to the Board of the District and the Westminster City Council under a separate agenda at tonight's meeting.

The District is a blended component unit of the City of Westminster. In accordance with Governmental Accounting Standards Board Statement (GASB) No. 14, *The Financial Reporting Entity*, and as amended by GASB Statement No. 61, *The Reporting Entity: Omnibus*, component units are legally separate entities for which the City is considered to be financially accountable. Financial accountability means that the City appoints a voting majority to the governing board and has the ability to impose its will upon the entity and/or accepts potential responsibility for the entity's financial benefits and burdens.

On August 26, 2002, the Westminster Housing Authority (WHA), another blended component unit of the City, adopted a resolution outlining the authority of the Executive Director. This resolution provided for WHA to operate in a manner consistent with practices established for the City under the Westminster Municipal Code and various policies and procedures outlined in Administrative Memoranda issued by the City Manager's Office. This action was prudent as WHA has no professional staff and contracts with the City to provide such Staff. The City's other blended component units including seven general improvement districts and the Westminster Economic Development Authority followed suit and formalized the SOP by resolution on October 13, 2014. Additionally, the City's audit includes each blended component unit as

part of the City's annual audit in accordance with the practices established for the City. In order to formalize this SOP for the Downtown General Improvement District, the attached resolution is presented to the Board for approval.

The action requested in this agenda memorandum relates to the City's Strategic Plan goal of Visionary Leadership, Effective Governance and Proactive Regional Collaboration and Dynamic, Diverse Economy by setting forth the policies and procedures by which the City's component units operate to ensure that their resources are used for the purposes intended.

Respectfully submitted,

Donald M. Tripp
Executive Director

Attachment – Resolution

CITY OF WESTMINSTER DOWNTOWN GENERAL IMPROVEMENT DISTRICT

RESOLUTION

RESOLUTION NO. **2**

INTRODUCED BY BOARD MEMBERS

SERIES 2015

**A RESOLUTION CONCERNING CONTRACT AND ADMINISTRATIVE AUTHORITY FOR
THE CITY OF WESTMINSTER DOWNTOWN GENERAL IMPROVEMENT DISTRICT**

WHEREAS, the City of Westminster Downtown General Improvement District (District) is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized, existing, and acting pursuant to the provisions of Part 6, Article 25, Title 31, Colorado Revised Statutes; and

WHEREAS, the District was established on August 10, 2015; and

WHEREAS, a general description of the improvements to be acquired, constructed and installed within the District and the services to be provided are as follows:

IMPROVEMENTS generally to be acquired, constructed, installed, operated, and/or maintained may include but are not limited to public roadways, including road and pedestrian underpasses, site grading, sidewalks, parking improvements, water and sewer lines, landscaping, irrigation, site and traffic lighting, drainage improvements, site amenities such as benches, fountains, required signage, and relocating businesses.

SERVICES generally to be provided may include but are not limited to police and fire protection, municipal and building code enforcement, professional services including but not limited to planning, engineering, building and construction inspection, financial administration and legal services, and any other service that the City is authorized to provide; and

WHEREAS, the Board of Commissioners wishes to formalize policies and procedures for the daily operations of the District; and

WHEREAS, the District is a blended component unit of the City of Westminster with the District's financial activities required to be included as part of the City's annual audit and included in the City's Comprehensive Annual Financial Report; and

WHEREAS, the District and the City are cooperating by authorizing an intergovernmental service agreement on October 26, 2015 that provides for the City to provide administrative services in order to accomplish District's goals and activities.

NOW, THEREFORE, the Board of Commissioners of the District resolves that:

The scope of the District's Executive Director's authority to enter into contracts and make purchases on behalf of the District shall be consistent with the limits set forth in Title XV of the Westminster Municipal Code, as it may be amended from time to time, and all current and future City Manager administrative memoranda, and the Executive Director is further authorized, but not required, to delegate such contract and purchasing authority to City staff who may be appointed by the Executive Director, acting as the City Manager, from time to time.

PASSED AND ADOPTED this 26th day of October, 2015.

ATTEST:

District Secretary

Mayor, Presiding Officer of the District

APPROVED AS TO LEGAL FORM:

By: _____
City Attorney, Attorney for the District

Downtown GID Agenda Item 3 B

Agenda Memorandum

City of Westminster Downtown General Improvement District Meeting
October 26, 2015



SUBJECT: Westminster Downtown General Improvement District/City of Westminster\Westminster Economic Development Authority Intergovernmental Cooperation Agreement

Prepared By: Tammy Hitchens, Finance Director
Robert Byerhof, Treasury Manager
Karen Creager, Special Districts Accountant

Recommended Board Action

Authorize the Mayor, as the Presiding Officer of the City of Westminster Downtown General Improvement District, to execute an Intergovernmental Cooperation Agreement between the City of Westminster (City), the Westminster Economic Development Authority (WEDA), and the City of Westminster Downtown General Improvement District (GID), in substantially the same form as attached, providing for reimbursement to the City by either WEDA and/or the GID of certain costs incurred by the City within the boundaries of the Westminster Center Urban Reinvestment Plan Area.

Summary Statement

- The Westminster Center Urban Reinvestment Plan Area, commonly known as Downtown Westminster, was created on April 13, 2009 to facilitate redevelopment of property within the Downtown area.
- In July 2015, the City issued \$40,000,000 in Certificates of Participation (COPS) to help finance improvements related to Phase I of the Downtown Westminster redevelopment project.
- In August 2015, Council approved the creation of the City of Westminster Downtown GID.
- Also in August, 2015, Council, as ex officio Board of Directors of the GID, approved the ballot language to be presented to District voters in the November 2015 election to authorize a mill levy of up to 50 mills to pay for public infrastructure, services and financing costs within the GID's boundaries.
- In consideration of the City constructing the improvements benefitting the Downtown Westminster redevelopment project, the City, WEDA and the GID wish to enter into an Intergovernmental Cooperation Agreement (ICA) to spell out each of the Parties obligations related to the construction and maintenance of public improvements, other public services within the boundaries, and debt service incurred on behalf of redevelopment projects.
- The source of revenues to be used for the obligations in the area will be property tax increment and sales tax increment collected in redevelopment area, property taxes generated from the GID mill levy and other revenues collected by WEDA and the GID.

Expenditure Required: Amounts billed annually to WEDA and GID by the City

Source of Funds: WEDA property tax and sales tax increment, GID property tax revenues, and other revenues collected by WEDA and the GID

Policy Issue

Does the Board support entering into an ICA with the City and the Westminster Economic Development Authority to provide for the reimbursement of capital and maintenance costs along with other contractual obligations associated with the Downtown Westminster project provided all other superior covenants and superior obligations have been met?

Alternative

Do not authorize the execution of the proposed ICA between the City, WEDA and the GID. This alternative is not recommended. The sharing of revenue is necessary given the costs borne by the City for the construction and maintenance of improvements within the URA and other contractual obligations. Additionally, these expenses are a proper and legal use of URA tax increment and GID tax revenues.

Background Information

On April 13, 2009, City Council created the Westminster Center Urban Reinvestment Plan Area to encourage and support the redevelopment of the former Westminster Mall into what is now known as Downtown Westminster. The City and WEDA continue to work together to design and construct public improvements within Downtown Westminster to further enhance the redevelopment strategy. As part of that effort, on August 10, 2015, City Council established the City of Westminster Downtown General Improvement District to fund improvements and operational costs within the GID boundaries. Under the GID structure, a property tax mill levy is assessed on property owners within the GID boundaries. The property owners are the primary beneficiaries of the public improvement, such as streets, lights, parks, parking improvements etc. to be built and such improvements are maintained for the benefit of the users.

In late July, the City issued \$40,000,000 in Certificates of Participation to finance improvements and infrastructure related to Downtown Westminster. Additionally on August 24, 2015, Council, acting as the ex officio board of the GID, approved the ballot language that would authorize a mill levy not to exceed 50 mills to pay for public infrastructure, maintenance, professional services, and financing costs within the district's boundaries and establish multi-year obligations.

Pursuant to Article XIV of the Colorado Constitution, and Title 29, Article 1, Part 2, C.R.S., the City, WEDA, and the GID are authorized to cooperate and contract with one another to provide any function, service, or facility lawfully authorized to each governmental entity. On June 27, 2011, and on December 9, 2013, WEDA and City entered into separate ICA's for the reimbursement of certain costs incurred within the Westminster Center Reinvestment Plan area. Staff along with legal counsel recommend that a new ICA be adopted, which includes the recently approved Westminster Downtown GID and affirms the contractual obligations between the ICA parties. Accordingly, an ICA between the entities provides a prudent mechanism for the City to recover expenses incurred for capital investment, maintenance, professional services, and any financing costs made on behalf of WEDA and the GID.

This ICA generally accomplishes the following:

- The City agrees to enter into one or more contracts for the construction of the Improvements as defined in the ICA.

- WEDA agrees to reimburse the City for amounts Advanced and the City's costs as described in the ICA.
- The GID agrees to levy a property tax not to exceed 50 mills.
- WEDA agrees to return the portion of the District's revenues, which are attributable to the District's mill levy, to the District.
- The GID agrees to utilize revenues it receives to assist in paying the costs of certain improvements and services within District's boundaries.

Although the final build-out of Downtown Westminster is years from completion, the recommended action to approve the ICA will establish the contractual obligations needed to provide the City repayment of capital, maintenance, professional services, and any financing costs incurred that benefit WEDA and the District.

The action requested in this agenda memorandum relates to the City's Strategic Plan goal of Visionary Leadership, Effective Governance and Proactive Regional Collaboration and to a Financially Sustainable Government Providing Excellence in City Services by entering into an intergovernmental cooperation agreement to provide and finance the ongoing needs of the Downtown Westminster development.

Respectfully submitted,

Donald M. Tripp
Executive Director

Attachment – IGA Agreement

**INTERGOVERNMENTAL COOPERATION AGREEMENT AMONG
THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, THE CITY OF
WESTMINSTER AND THE CITY OF WESTMINSTER DOWNTOWN GENERAL
IMPROVEMENT DISTRICT REGARDING THE WESTMINSTER CENTER URBAN
REINVESTMENT PROJECT**

This Intergovernmental Cooperation Agreement (the “Agreement”), dated as of _____, 2015, by and among the WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY (“WEDA”), a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado, the CITY OF WESTMINSTER (“the City”), a home rule municipality duly organized and existing under the Constitution and laws of the State of Colorado, the CITY OF WESTMINSTER DOWNTOWN GENERAL IMPROVEMENT DISTRICT (“District”), a quasi-municipal corporation and body corporate of the State of Colorado duly organized and existing pursuant to Title 31, Article 25, Part 6, C. R.S., as amended (collectively the “Parties”).

W I T N E S S E T H

WHEREAS, the City Council of the City has adopted an urban renewal plan known as the “Westminster Center Urban Reinvestment Plan” (“Urban Renewal Plan”) under and pursuant to the Colorado Urban Renewal Law, Section 31-25-101, et. seq., C.R.S., as amended (the “Act”); and

WHEREAS, in accordance with the Urban Renewal Plan and the Act, WEDA is authorized to undertake an urban renewal project and to finance such project by utilization of certain incremental increases in property and sales taxes; and

WHEREAS, the District was created in part to finance the costs of various public improvements and services for the benefit of property described in the Urban Renewal Plan; and

WHEREAS, the Parties desire to provide various public improvements as part of the urban renewal project described in the Urban Renewal Plan, including, without limitation, water and sewer lines, streets, curb and gutter, sidewalks, streetscape, landscape, lighting, security, drainage, telecommunications, signage, parking and transportation facilities, parks, plazas, trails, recreation facilities, public art projects, traffic improvements, utilities and all other necessary, incidental, appurtenant, and convenient facilities, equipment, land and property rights (“Improvements”); and

WHEREAS, in order to finance a portion of the costs of the Improvements, the City has entered into a lease-purchase agreement and in connection therewith there have been issued \$30,000,000 Certificates of Participation, Series 2015A and \$10,000,000 Certificates of Participation, Taxable Series 2015B (the “Certificates”); and

WHEREAS, pursuant to a Cooperation Agreement dated June 27, 2011, between the City and WEDA, WEDA agreed to repay the City (a) \$15,825,000 which the City advanced to WEDA to acquire the Westminster Mall and (b) amounts advanced by the City to WEDA to pay the ongoing costs to maintain the Westminster Mall until its demolition and to demolish the Westminster Mall and prepare the site for redevelopment which amounts equal \$3,591,886 as of the date hereof (collectively, the “2011 Agreement Advances”); and

WHEREAS, the City has also advanced to WEDA \$13,425,523 for the costs of other land acquisitions related to the redevelopment of the Westminster Mall site and has spent \$32,842,409 as of the date hereof and will spend additional amounts in the future to redevelop the Westminster Mall site (together with the 2011 Agreement Advances, collectively, the “Advances”); and

WHEREAS, the Parties are authorized by the Section 112 of the Act to enter into cooperative agreements with respect to projects and activities and are authorized by Section 29-1-203, C.R.S. to enter into contracts to provide any function, service or facility lawfully authorized to each; and

WHEREAS, the Parties desire to enter into an agreement setting forth their intent to cooperate as to the provision of the Improvements and the maintenance of such Improvements and to assure that taxes levied by the District are made available to pay the costs of certain improvements and services; and

NOW THEREFORE, in consideration of the foregoing recitals, and the following terms and conditions, the City, WEDA and the District hereby agree as follows:

1. Improvements. The City or WEDA will enter into one or more contracts for the construction of the Improvements. The City agrees to pay a portion of the cost of the Improvements located within the Urban Renewal Plan from the proceeds of its \$30,000,000 Certificates of Participation, Series 2015A and \$10,000,000 Certificates of Participation, Taxable Series 2015B (the "Certificates") and other legally available funds. WEDA agrees to reimburse the City (a) for the amount of the Advances and (b) for the City's costs related to the financing of the costs of the Improvements and (c) in the event the City pays the costs of the maintenance of said Improvements, for the costs paid by the City to maintain the Improvements. The City will advise WEDA of amounts spent by the City (other than from the proceeds of the Certificates) after the date hereof on redevelopment of the Westminster Mall site and if WEDA consents such amounts will be added to the amount of the Advances to be reimbursed by WEDA.

2. Tax Increment Revenues. In consideration of the District providing improvements and services to benefit property described in the Urban Renewal Plan, WEDA agrees that the portion of revenues that it receives as tax increment revenues that are attributable to the District's annual levy of ad valorem taxes on real and personal taxable property shall be remitted to the District periodically, but no less frequently than annually. In consideration of City financing the Improvements and providing for the maintenance of the Improvements as described in Section 1, WEDA agrees that the revenues that it receives as tax increment revenues pursuant to Section 107(9)(II) of the Act and the Urban Renewal Plan, except for the revenues paid to the District pursuant to the preceding sentence, shall be used by WEDA to reimburse the City for the costs it incurs pursuant to Section 1. It is the intent of the parties that WEDA's obligations pursuant to this Agreement shall be deemed and construed as an indebtedness of WEDA within the meaning of § 31-25-107(9)(a)(II), C.R.S., and WEDA irrevocably pledges all of its tax increment revenues as described in § 31-25-107(9)(a)(II), C.R.S. to the repayment of the same. WEDA shall not incur any other obligation payable from the tax increment revenues without the consent of the District and the City.

3. Cooperation. The Parties covenant with each other that in any action or challenge of the Urban Renewal Plan and/or this Agreement, regarding the legality, validity or enforceability of any provision thereof, the Parties will work cooperatively and in good faith to defend and uphold each and every such provision.

4. Enforcement. WEDA agrees that it shall enforce the collection of the Tax Increment Revenues.

5. Effective Date; Term. The City and WEDA agree that this agreement supersedes a Cooperation Agreement dated June 27, 2011 (the "2011 Agreement") between the City and WEDA and an Intergovernmental Cooperation Agreement dated as of December 23, 2013 (the "2013 Agreement") between the City and WEDA and the 2011 Agreement and 2013 Agreement are no longer of any force and effect. This Agreement shall become effective as of the date set forth in the initial paragraph hereof. This Agreement shall remain in full force and effect until terminated by mutual consent of the Parties or until the tax allocation provisions of the Urban Renewal Plan terminate, whichever is earlier.

6. Amendments and Waivers. No amendment or waiver of any provision of this Agreement, nor consent to any departure herefrom, in any event shall be effective unless the same shall be in writing and signed by the Parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

7. Governing Law. This Agreement shall be governed by, and construed in accordance with the laws of the State of Colorado.

8. Headings. Paragraph headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

9. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

EXECUTED this _____ day of _____, 2015

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By: _____
Executive Director

APPROVED AS TO FORM:

Attorney for Authority

CITY OF WESTMINSTER

By: _____
Mayor

(SEAL)

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF WESTMINSTER DOWNTOWN GENERAL
IMPROVEMENT DISTRICT

By: _____
Mayor, Presiding Officer of the District

Attest

Secretary

APPROVED AS TO FORM:

District's Attorney

Downtown GID Agenda Item 3 C

Agenda Memorandum

City of Westminster Downtown General Improvement District Meeting
October 26, 2015



SUBJECT: Intergovernmental Service Agreement with the City of Westminster

Prepared By: Karen Creager, Special Districts Accountant

Recommended Board Action

Authorize the Executive Director to execute an Intergovernmental Service Agreement with the City of Westminster in substantially the same form as the attached agreement regarding the payment of a service fee to the City.

Summary Statement

- The City of Westminster Downtown General Improvement District (District) was created on August 10, 2015, with the primary purpose of acquiring, constructing, installing, operating or maintaining Improvements and/or providing services within and for the District.
- The District has no Staff; therefore, the City provides crucial administrative services to the District.
- The Intergovernmental Service Agreement (IGSA) between the City and the District will outline the obligations with regard to administrative services provided to the District by the City and the District's compensation to the City for such services.
- This agreement is retroactive to January 1, 2015.

Expenditure Required: Administrative Fee: \$10,000/year for 2015-2017. Future expenditures to be determined each year during the annual budget process and pursuant to the terms of the IGSA

Source of Funds: Revenues for the District including property taxes, ownership taxes and interest earnings

Policy Issue

Should the Board authorize the attached IGSA with the City?

Alternative

An alternative would be to not authorize the attached IGSA between the District and the City. This is not recommended as the City provides crucial administrative services that could be more costly if the District were to outsource the services. Additionally, the City is compensated by seven other General Improvement District (GIDs) located within the City that utilize City Staff for administrative services in a very cost-effective manner.

Background Information

The City of Westminster Downtown General Improvement District was created on August 10, 2015 and is a parcel located on the Downtown redevelopment site. The District was established with the primary purpose of acquiring, constructing, installing, operating or maintaining improvements that may include but are not limited to public roadways, including road and pedestrian underpasses, site grading, sidewalks, parking improvements, water and sewer lines, landscaping, irrigation, site and traffic lighting, drainage improvements, site amenities such as benches, fountains, required signage, and relocating businesses and/or providing services that may include but are not limited to police and fire protection, municipal and building code enforcement, professional services including but not limited to planning, engineering, building and construction inspection, financial administration and legal services, and any other service that the City is authorized to provide within and for the District.

As the District does not have its own professional staff, the City provides various necessary administrative services. These services include but are not limited to, legal (provided no conflict of interest exists between the City and the District), accounting, management and clerical. The District benefits by having the City provide these services as the services would be more costly if the District were to outsource them. Currently, the City has IGSA's with seven other GID's located within the City for such administrative services provided to these Districts.

The attached IGSA outlines the services that the City will provide and the fee the District will pay to the City for those services. The fee is to be set annually through the budget process and is labeled "Administration" in the District's budget. The fee is due on or before August 1 each year. Services have been provided to the District beginning in 2015; however, no IGSA was in place allowing for the payment of the fee. The attached IGSA is retroactive to January 1, 2015. The IGSA sets the fee at \$10,000 annually for 2015-2017 and provides for repayment of the fee from future excess revenues if the fee is not fully paid when due. The first year the District will receive revenue is 2017. It is anticipated that revenues in 2017 will not be sufficient to pay the full amount of the fee due until development progresses.

The action requested in this agenda memorandum relates to the City's Strategic Plan goal of Visionary Leadership, Effective Governance and Proactive Regional Collaboration and Dynamic,

SUBJECT: IGSA with the City of Westminster

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Diverse Economy by assuring that the City receives payment, when appropriate, for the services it provides to the Downtown General Improvement District.

Respectfully submitted,

Donald M. Tripp
Executive Director
Attachment – IGSA Agreement

INTERGOVERNMENTAL SERVICE AGREEMENT

THIS INTERGOVERNMENTAL SERVICE AGREEMENT (the “Agreement”) is made and entered into this day ___ of _____ (the “Effective Date”) by and between THE CITY OF WESTMINSTER, COLORADO, a Colorado home-rule municipality, and the CITY OF WESTMINSTER DOWNTOWN GENERAL IMPROVEMENT DISTRICT (the “Parties.”)

RECITALS

WHEREAS, the City of Westminster, Colorado (the “City”) is a Colorado home-rule municipality, created, established, existing, and acting under the provisions of Article XX of the Constitution of the State of Colorado and the City Charter; and

WHEREAS, the City of Westminster Downtown General Improvement District (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado, established, existing, and acting pursuant to the provisions of Part 6, Article 25, Title 31, Colorado Revised Statutes (the “Act”); and

WHEREAS, Section 18(2)(a) of Article XIV of the Constitution of the State of Colorado provides that nothing in the Constitution shall be construed to prohibit the State or any of its political subdivisions from cooperating or contracting with one another or with the government of the United States to provide any function, service or facility lawfully authorized to each of the cooperating or contracting units, including the sharing of costs, the imposition of taxes, or the incurring of debt; and

WHEREAS, Part 2 of Article 1 of Title 29 of the Colorado Revised Statutes, as amended, authorizes and enables governments of the State of Colorado to enter into cooperative agreements or contracts; and

WHEREAS, the Constitution and the laws of the State of Colorado permit and encourage local government entities to cooperate with each other to make the most efficient and effective use of their powers and responsibilities; and

WHEREAS, the District does not have its own professional staff and is in need of administrative services, including but not limited to legal, accounting, management, financial, clerical and similar services; and

WHEREAS, the City is willing to provide such services in exchange for the consideration set forth in this Agreement; and

WHEREAS, pursuant to C.R.S. § 32-25-611, the District has the power to enter into contracts and agreements affecting the affairs of the District.

NOW, THEREFORE, in consideration of the mutual undertakings herein contained, and other good and valuable consideration, the Parties covenant and agree as follows:

ARTICLE I

TERM OF AGREEMENT

SECTION 1. Effective Date of the Agreement; Duration of Agreement Term. The Initial Term of this Agreement shall be January 1, 2015 through December 31, 2015. Thereafter, this Agreement shall automatically renew for additional one-year periods commencing on each January 1 following the Initial Term, provided, however, that either party may terminate this Agreement upon at least thirty (30) days advance notice to the other, in which case this Agreement shall be deemed terminated as of the last day of the month next following the month in which said notice is given, or such other date to which the Parties may agree.

ARTICLE II

SERVICES

SECTION 2.1 City Services. The City agrees to provide to the District administrative services reasonably required to operate the District to fulfill the purposes for which it was created. Such services shall include, but are not limited to, legal (provided no conflict of interest exists between the City and the District), accounting, management, financial, and clerical services (the "Services"). Said Services shall be provided by City staff on an as-needed basis as may be required by the applicable laws and regulations pertaining to the operations of a General Improvement District.

SECTION 2.2 Compensation. As compensation for the Services, the District shall pay the City the lump sum annual fee labeled "Administration" as specified in the Annual Budget as adopted by the District. However, the Administration fee for the initial term of the Agreement and the two subsequent terms will be \$10,000 for each term. This Administration fee shall be due on or before August 1 of the year in which the Services are provided. If the Administration fee is not paid by the District when due, and so long as this Agreement is not terminated, unpaid fees shall accrue and be due and owing without interest when District future excess revenues are available subject to the right of the District to terminate this Agreement. In the event of any termination of this Agreement prior to the August 1 payment date, the District shall pay the City a pro-rated fee based on the length of time the Services were actually provided without payment. In the event of termination, however, there shall be no refund of any previously paid fees to the City.

ARTICLE III

MISCELLANEOUS PROVISIONS

SECTION 3.1 Remedies. A breach by either party to this Agreement shall entitle the non-breaching party to any and all remedies at law or in equity. In any action brought to enforce this Agreement, the prevailing party shall be entitled to recover from the other its reasonable attorneys fees and costs. Before bringing any such action, however, the Parties agree to attempt in good faith a mediated resolution of their dispute using a mutually acceptable professional and independent mediator.

SECTION 3.2 Amendments. This Agreement may be amended at any time by mutual written agreement of the Parties.

SECTION 3.3 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such determination shall not affect, impair or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

SECTION 3.4 TABOR. Nothing in this Agreement shall be deemed or construed as creating a multiple fiscal year obligation within the meaning of Colorado Constitution Article X, Section 20, commonly known as "TABOR." The obligations of the Parties hereto shall be subject to appropriation of the necessary funds to meet said obligations on an annual basis by the Parties.

IN WITNESS WHEREOF, the Parties hereto have caused their names and seals to be affixed as of the date and year noted above.

CITY OF WESTMINSTER, COLORADO

By: _____
City Manager, City of Westminster

(SEAL)

ATTEST:

City Clerk

**CITY OF WESTMINSTER DOWNTOWN
GENERAL IMPROVEMENT DISTRICT**

By: _____
Mayor, Presiding Officer of the District

(SEAL)

ATTEST:

Secretary