

AGENDA

**WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING**

MONDAY, JUNE 23, 2014

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (June 9, 2014)
- 3. Public Hearings and New Business**
 - A. Public Hearing to Amend the 2014 Budget
 - B. Resolution No. 155 Authorizing 2nd Quarter Supplemental Appropriation to 2014 Budget
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
MONDAY, JUNE 9, 2014, AT 8:30 P.M.

ROLL CALL

Present at roll call were Chairperson Herb Atchison, Vice Chairperson Faith Winter, and Board Members Bruce Baker, Alberto Garcia, Emma Pinter, and Anita Seitz. Board Member Bob Briggs was absent and excused. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Linda Yeager, Secretary.

APPROVAL OF MINUTES

Board Member Seitz moved, seconded by Board Member Baker, to approve the minutes of the meeting of May 19, 2014, as written. The motion carried unanimously.

RESOLUTION NO. 154 CLEARING TITLE FOR WURP

Upon a motion by Board Member Garcia, seconded by Board Member Seitz, the Authority voted unanimously to adopt Resolution No. 154 terminating certain exceptions to title in furtherance of the Westminster Center Urban Reinvestment Project.

INTERIM PUBLIC RELATIONS PROGRAM FOR WURP

It was moved by Board Member Pinter, seconded by Vice Chairperson Winter, to approve a contract with Cohn Marketing for services relating to the creation and execution of an interim public relations program, for the period of June 2014 through November 2014, designed to build momentum and community excitement for the WURP project kickoff later this year. Following comments about the appropriateness of spending funds for this purpose, the motion passed by a 5:1 margin with Board Member Baker voting no.

ADJOURNMENT

With no further business for the Authority's consideration, Chairperson Atchison adjourned the meeting at 8:35 p.m.

ATTEST:

Chairperson

Secretary

WEDA Agenda Item 3 A - B

Agenda Memorandum

Westminster Economic Development Authority Meeting
June 23, 2014



SUBJECT: Public Hearing and Resolution No. 155 re: Westminster Economic Development Authority First Supplemental Appropriation to the 2014 budget

Prepared By: Karen Creager, Special Districts Accountant

Recommended Board Action

1. Hold a Public Hearing on the budget amendment for the Westminster Economic Development Authority.
2. Adopt Resolution No. 155 authorizing a supplemental appropriation to the 2014 Westminster Economic Development Authority budget.

Summary Statement

- When necessary, City Staff prepares a resolution to appropriate unanticipated revenues and adjust the budget side of transactions that occur during the year. Typically supplemental appropriations are prepared on a periodic basis for the Westminster Economic Development Authority (WEDA) to simplify administrative procedures and reduce paper work.
- This supplemental appropriation covers year-to-date activity for 2014.
- 2014 Amendments:
 - North Huron Urban Renewal Area (URA)
 - \$2,634 Interest earnings
 - \$2,604,830 Carryover for Orchard Parkway
 - Westminster Center Urban Reinvestment Plan (WURP) URA
 - \$192,590 Rental income
- A public hearing is required pursuant to Section 29-1-108 of the Colorado Revised Statutes.

Expenditure Required: \$2,800,054

Source of Funds: Interest earnings, rents and carryover from prior years

Policy Issue

Should the WEDA Board appropriate funds as set forth in the attached Resolution?

Alternatives

In accordance with the Compass Mortgage Corporation Loan Agreement, use of the loan proceeds is to be applied solely to costs of the North Huron URA. Interest earnings on the unspent loan proceeds carry the same restriction. Alternatively, the Board could decide to appropriate the loan proceeds not previously appropriated in 2012 along with the corresponding interest earnings to a different project in the North Huron URA instead of Orchard Parkway. This alternative is not recommended at this time as WEDA has contractually committed to reimburse the City for costs incurred for the construction of Orchard Parkway, the most immediate need in the area. If WEDA does not reimburse the City for costs incurred, the City would need to determine an alternative funding source to cover the construction of Orchard Parkway.

At the time the Orchard Parkway project is completed, and if there are excess funds available, the Board could then authorize the use of those excess funds on another project in the North Huron URA.

The Board could decide not to appropriate the rent revenue to the WURP project. Although the rent revenue is not restricted in its use, Staff recommends continuing to use the rents from the remaining tenants at the former Mall site to cover costs associated with providing service to the tenants and the continued redevelopment at that site.

Background Information

North Huron URA

Carryover

When the loan for North Huron was refinanced in 2012, additional project funds of \$6.5M for Orchard Parkway were included as part of the refinancing. The flow of funds for Orchard Parkway provides for the City's General Capital Improvement Fund to initially pay the cost of construction, and for WEDA to reimburse those costs. The additional project funds were intentionally left unappropriated in WEDA in 2012 and preserved to be appropriated as needed for reimbursement to the City. Staff has developed a schedule for the actual cost reimbursement on a monthly basis. In order to provide the necessary budget to cover the reimbursements to the City made to date in 2014, Staff is requesting appropriation of prior year loan proceeds of \$2,604,830, which are now characterized as carryover, to the Orchard Parkway Capital Improvement Project.

Interest Earnings

The unspent project funds for Orchard Parkway described above will continue to earn interest until spent. The amount of interest earned on project funds to date in 2014 is \$2,634. The loan agreement specifies that the interest earned on the project funds must be spent on projects in the North Huron URA.

Westminster Center Urban Reinvestment Project Area

Although only a few tenants continue to operate at the Mall site during the redevelopment, monthly rents are received from those tenants. There are unappropriated rents totalling \$192,590 received in 2014. Therefore, Staff is requesting that the rents be appropriated to the WURP project to continue to provide services for the tenants and the redevelopment efforts.

The amendment listed in the attached resolution will bring WEDA's accounting records up-to-date to reflect the various detailed transactions.

The action requested in this agenda memorandum relates to Council's Strategic Plan goals of "Dynamic, Diverse Economy" and "Vibrant & Inclusive Neighborhoods." These goals are met by ensuring revenues are appropriated to expenditure accounts so the funds can be utilized as intended including continued improvements in the North I-25 development area and continued progress in the redevelopment of the Westminster Center Reinvestment area.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachment: WEDA Resolution

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. **155**
SERIES OF 2014

INTRODUCED BY BOARD MEMBERS

**2014 WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
BUDGET SUPPLEMENTAL APPROPRIATION**

WHEREAS, the Westminster Economic Development Authority (WEDA) initially adopted the 2014 budget on October 8, 2012 and

WHEREAS, proper notice for this amendment was published on June 19, 2014, pursuant to the requirements of Section 29-1-106 Colorado Revised Statutes; and

WHEREAS, a public hearing for this amendment was held on June 23, 2014, pursuant to the requirements of Section 29-1-108 Colorado Revised Statutes; and

WHEREAS, as necessary a resolution to make adjustments to the budget is presented to the Board; and

WHEREAS, there are adjustments to be made to the 2014 budget; and

WHEREAS, the revenue adjustment consists of an increase of \$2,800,054; and

WHEREAS, the expense adjustment consists of an increase of \$2,800,054.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Westminster Economic Development Authority:

Section 1. The \$2,800,054 increase shall be allocated to WEDA Revenue and Expenditure accounts as described below:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
Carryover - North Huron	6800.40020.0183	\$766,899	\$2,604,830	\$3,371,729
Interest Earnings	6800.42520.0183	0	2,634	2,634
Rents	6800.40900.0191	0	<u>192,590</u>	192,590
Total Change to Revenues			<u>\$2,800,054</u>	

EXPENDITURES

Description	Account Number	Current Budget	Amendment	Revised Budget
Appropriation Holding-Orchard Pkwy	81268030997.80400.8888	\$285,811	\$2,607,464	\$2,893,275
WURP City Participation	80968005952.80400.8888	975,983	118,105	1,094,088
WURP Master Plan	81368030952.80400.8888	277,005	<u>74,485</u>	351,490
Total Change to Expenses	Need to allocate \$73,237		<u>\$2,800,054</u>	

Section 2. The resolution shall be in full force and effect upon its passage and approval.

PASSED AND ADOPTED 23rd day of June, 2014.

ATTEST:

Chairperson

Secretary