



Staff Report

TO: The Mayor and Members of the City Council
DATE: February 5, 2009
SUBJECT: Briefing and Post-City Council Briefing Agenda for February 9, 2009
PREPARED BY: J. Brent McFall, City Manager

Please Note: Study Sessions and Post City Council briefings are open to the public, and individuals are welcome to attend and observe. However, these briefings are not intended to be interactive with the audience, as this time is set aside for City Council to receive information, make inquiries, and provide Staff with policy direction.

Looking ahead to Monday night’s Briefing and Post-City Council meeting briefing, the following schedule has been prepared:

Dinner 6:00 P.M.
Council Briefing *(The public is welcome to attend.)* 6:30 P.M.
CITY COUNCIL MEETING 7:00 P.M.
POST BRIEFING *(The public is welcome to attend.)*

PRESENTATIONS

None at this time

CITY COUNCIL REPORTS

- 1. Report from Mayor (5 minutes)
- 2. Reports from City Councillors (10 minutes)

EXECUTIVE SESSION

- 1. Discuss City’s position on the Comcast Cable Franchise Agreement, receive legal advice with respect thereto, and obtain direction thereon pursuant to WMC 1-11-3(C)(7) and (8) and CRS 24-6-402 (4)(b) and (e)
- 2. Obtain direction from City Council re proposed amendments to economic development incentive agreement with Church Ranch Hotel Companies pursuant to WMC 1-11-3(C)(4), WMC1-11-3 (C)(7) and CRS 24-6-402(4)(e) (**Verbal**)
- 3. Discuss potential lawsuit and settlement with City Attorney pursuant to WMC sections 1-11-3(C)(3), (7)and (8) , and CRS sections 24-6-402(4)(b) and (e) (**Verbal**)

INFORMATION ONLY STAFF REPORTS – do not require City Council action

- 1. Community Mediation Concepts Year End Report 2008 (Attachment)
- 2. Westminster Economic Development Authority 4th Quarter 2008 Financial Update (Attachment)

Items may come up between now and Monday night. City Council will be apprised of any changes to the post-briefing schedule.

Respectfully submitted,

J. Brent McFall, City Manager



W E S T M I N S T E R

Staff Report

Information Only Staff Report
February 9, 2009



SUBJECT: Community Mediation Concepts Year End Report 2008

PREPARED BY: James Mabry, Neighborhood Outreach Coordinator

Summary Statement:

This report is for City Council information only and requires no action by City Council.

Community Mediation Concepts (CMC) provides mediation services to the City of Westminster. Mediation is a voluntary process where trained and qualified mediators sit down with Westminster citizens and businesses in conflict and help them work out their own solutions. CMC custom designs and implements a process for the successful and effective resolution of community conflict.

The purpose of this report is to update City Council on Community Mediation Concepts activities during 2008.

Background Information

Community Mediation Concepts (CMC) has provided mediation services for the City of Westminster, on a referral basis, since 1999. CMC works primarily with the Westminster Police Department and the City Prosecutor's Office. CMC mediation services are offered to the entire Westminster community at no cost to those individuals and entities utilizing the services.

CMC addressed issues including: neighborhood parking disputes, juvenile fighting, property lines and fences, noise and disturbing the peace, tree and landscaping disputes, disputes between residential and commercial property owners in close proximity to each other, barking dogs, and situations where citizens would expect the City of Westminster to fix the problem.

For 2008, CMC was contracted to provide citywide mediation services for an anticipated 100 mediations at a cost of \$12,500. CMC is on a retainer of \$12,500 to provide these services; in some years, they may provide mediation to more than 100 cases and in other years, less.

In 2008, CMC addressed a total of 53 cases for the City. 32 of the 53 cases were resolved through mediation. 38 mediation referrals came from the Westminster Police Department, including 21 from patrol, 10 from Animal Management, 5 from Code Enforcement, and 2 from citizen-police contact. Westminster residents self-referred eleven (11) times to mediation. The City Attorney's Office and the City Manager's Office referred two (2) cases each.

Eleven (11) parties chose not to participate in mediation and ten (10) parties were "unable to contact" for mediation in 2008. "Unable to contact" referrals are those in which the involved parties are unable to be contacted or that mediation would be inappropriate for the circumstances surrounding the case (e.g. the situation involved a more serious criminal matter).

CMC successfully contacted 83% of parties involved in cases referred to mediation. 21% of all parties refused to enter into mediation to reach a solution on their grievance. Sixty percent (60%) of mediation contacts (thirty-two of the fifty-three opened cases) resulted in a positive mediation resolution for the involved individuals. In the cases where a party refused to mediate or failed to show up at a scheduled mediation, CMC offered problem solving that individuals could undertake on their own, which was not dependent on another party's cooperation.

In 2008, mediation referrals decreased 9% compared to 2007. The number of referrals to CMC has varied widely over the ten years of this program's existence as shown on the attached summary of the mediation programs statistics.

Promotion of CMC mediation program continues to be a priority. CMC's services are promoted throughout the City of Westminster organization. Information on CMC mediation appears on the community involvement and the City of Westminster Municipal Court web pages, and is broadcast on Cable Channel 8. Promotion of CMC mediation is part of community meetings.

In 2008, CMC met with Westminster Police personnel at all roll call shifts to promote the availability of CMC mediation services, when appropriate, as alternative dispute resolution. In addition, CMC met with Westminster Code Enforcement and the Citizen's Police Academy to promote CMC mediation services.

In the time that CMC has performed mediation for the City, Staff believes the program has been successful in these areas:

- Providing a constructive, problem-solving forum where the alternative may only be Municipal Court fines, which do not necessarily solve the problem.
- Teaching skills to disputing parties that they can use to resolve conflict in the future, which is particularly beneficial in the case of juvenile disputants.
- Preventing escalation in several matters where escalation of hostilities appeared to be a possibility.
- Encouraging citizens to proactively solve their disputes.
- Saving repeated Police and Animal Management officer contacts.
- Saving Staff time in several other matters where parties contacted the City for assistance in dispute resolution.
- Improving the quality of life and level of community control among the parties in all the cases.

The attached table summarizes the fifty-three (53) cases mediated by CMC mediated for the City of Westminster in 2008 and a summary of mediation referrals from 1999 through 2008.

If you have any questions about this event, please contact James Mabry at 303-658-2011 or at jmabry@cityofwestminster.us.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

City of Westminster Community Mediation Concepts Statistics										
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Total Referred	20	28	85	101	68	53	51	65	58	53
Parties Contacted	N/A	21	46	73	60	47	47	54	49	42
No Contact/Other	N/A	9	29	28	8	6	4	9	8	10
Agreed to Mediate	N/A	19	56	51	49	33	33	38	42	32
Refused to Mediate	N/A	12	29	22	11	11	5	15	7	11
Police Referral	N/A	5	28	46	38	22	23	41	27	38
City Attorney Referral	6	7	13	8	6	8	2	4	1	2
Self Referral	1	9	20	30	15	12	7	3	6	11
Other Referral	N/A	2	9	27	3	5	8	17	24	2



WESTMINSTER

Staff Report

Information Only Staff Report
February 9, 2009



SUBJECT: Westminster Economic Development Authority 4th Quarter 2008 Financial Update

PREPARED BY: Karen Creager, Special Districts Accountant

Summary Statement:

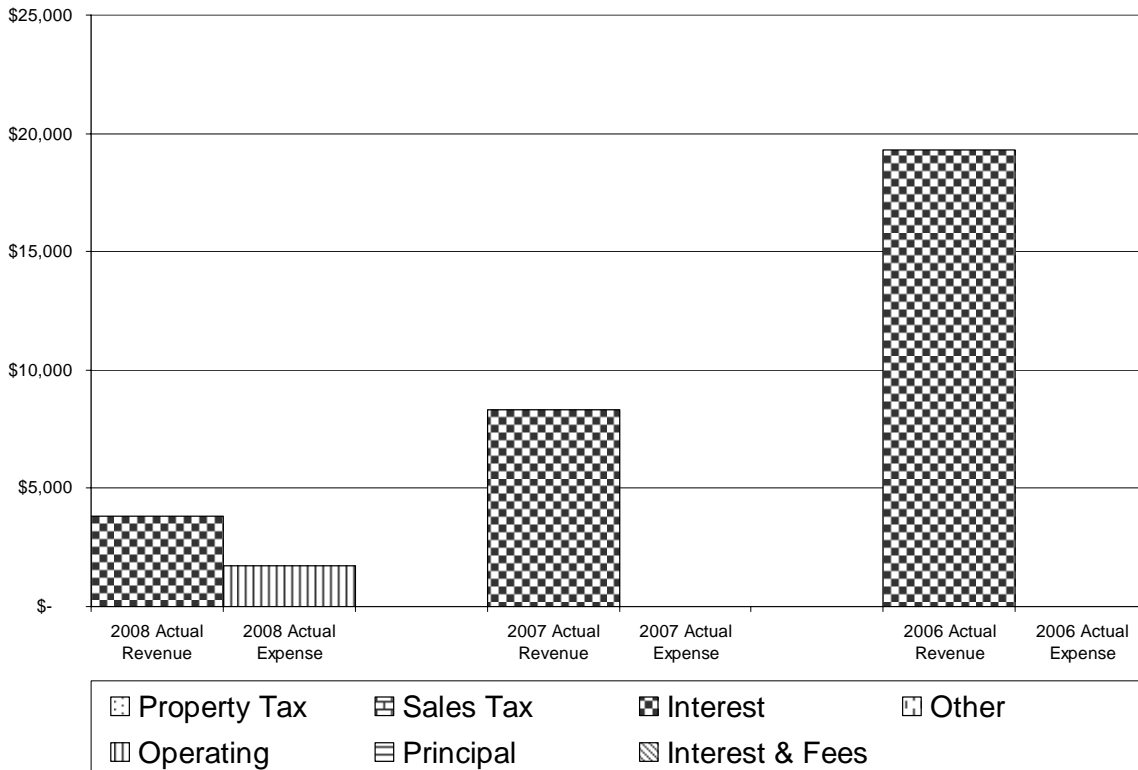
This report is for information only and requires no action by the Board. The report represents the unaudited financial position for each of the Westminster Economic Development Authority's (WEDA) Urban Renewal Areas (URA's) as of December 31, 2008.

Background Information:

WEDA currently includes six separate URA's. This report presents the financial activity as of December 31, 2008 before year end adjustments. Included in the report are the following for each URA: 1) three year comparative graphs for operating revenues and expenses, 2) a chart summarizing the financial position as December 31, 2008, 3) a list of all current outstanding obligations. Only operating activities are presented in this report.

Holly Park URA

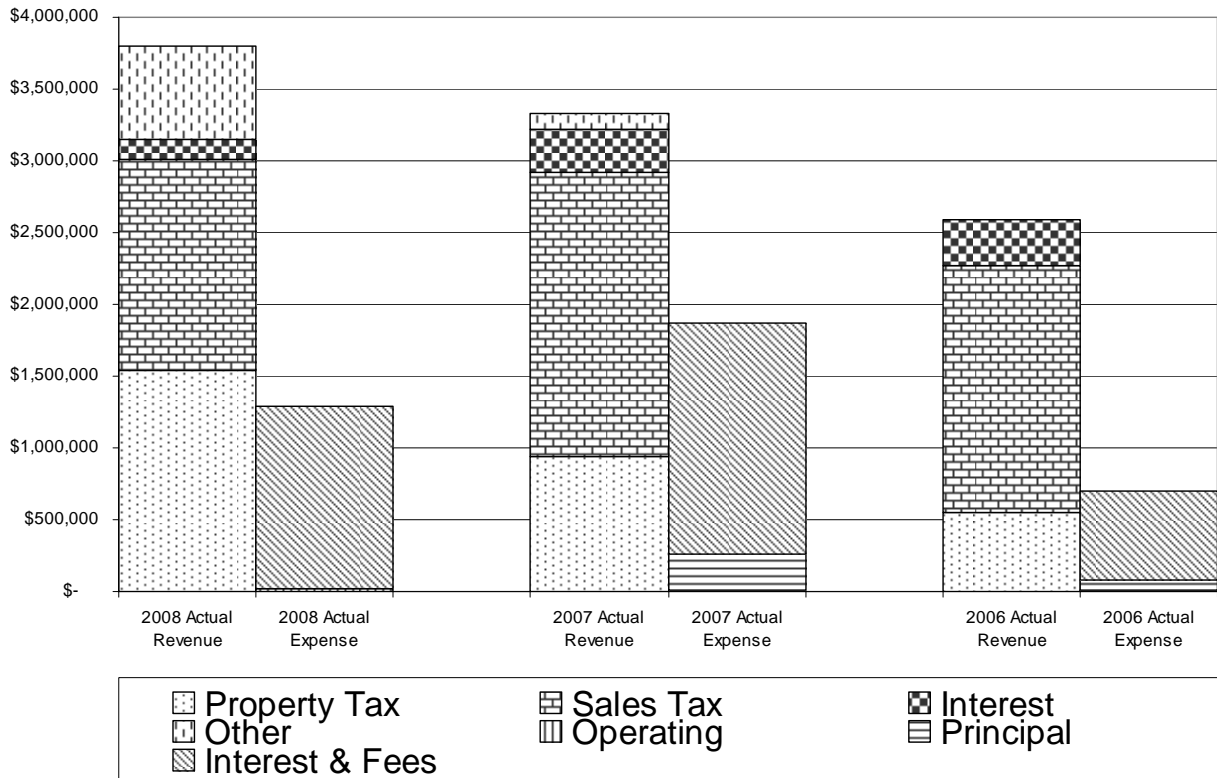
Holly Park URA 2008 Revenues vs Expenses



- The General Fund loaned this URA \$1,245,000 to fund the capital project for the clean-up of the property to ready it for resale. It is anticipated that the interfund loan will be repaid once the property is sold.
- The only revenue recorded is interest earnings on the unspent project funds. Interest earnings decreased \$4,489 in 2008 from 2007 because the project funds continue to be spent.
- Operating expenses for the three years consist of only \$1,700 for professional services in 2008.

Mandalay Gardens URA (Shops at Walnut Creek)

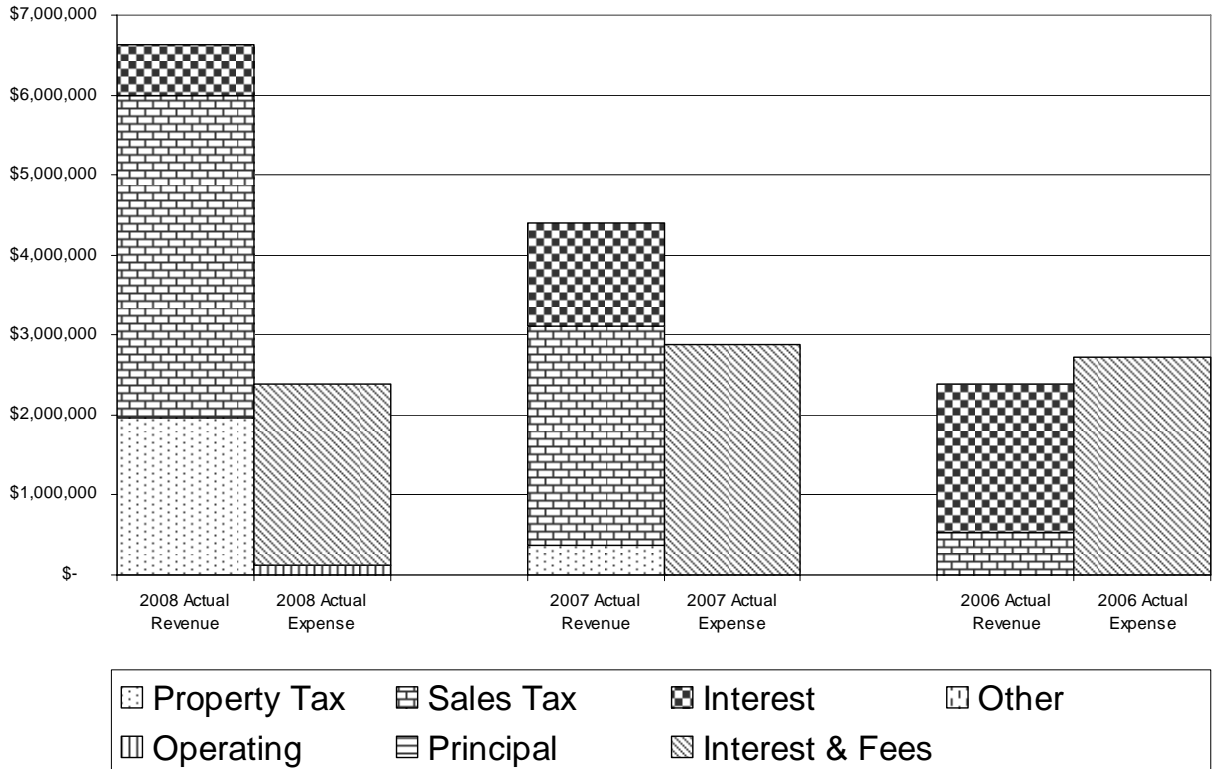
Mandalay Gardens URA 2008 Revenues vs Expenses



- 2008 is the first full year of the sales tax pledge reduction from 3.0% to 1.75%. Sales tax increment decreased \$508,542 in 2008 from 2007 due to the pledge reduction, which began in October 2007.
- Property tax increment increased \$601,093 in 2008 from 2007.
- Interest earnings decreased \$157,119 in 2008 from 2007 as cash on hand decreased due to increases in the URA’s scheduled debt service payments.
- Transfers (Other) increased \$532,911 in 2008 from as a result of the POST Fund purchasing land from WEDA.
- Operating expenses increased \$9,017 in 2008 from 2007 due to an increase in the property tax collection fee paid to the county treasurer, consistent with the increase in property tax revenues.
- Debt service costs decreased \$588,584 in 2008 from 2007 because, due to the conversion from variable rate bonds to bank bonds, no principal payment was made as well as because of the decrease in variable debt interest rates.

North Huron URA

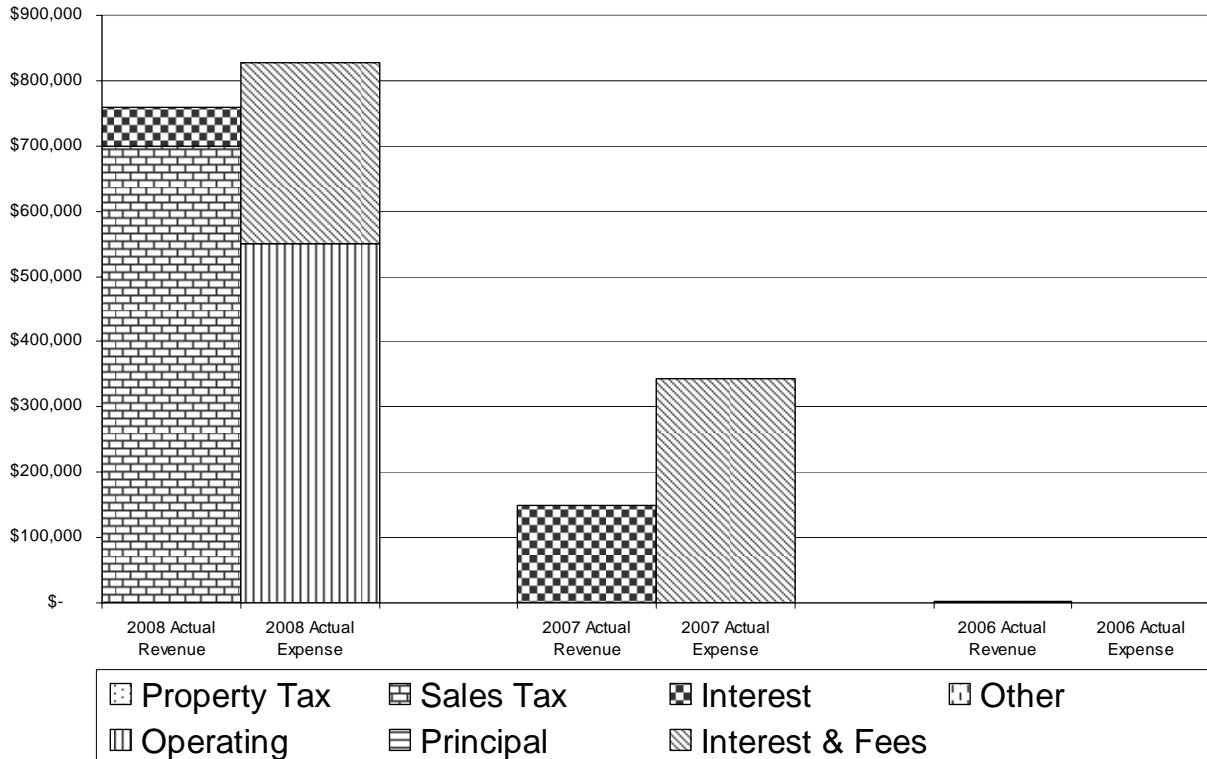
North Huron URA 2008 Revenues vs Expenses



- Property tax increment increased \$1,602,693 in 2008 from 2007. This trend should continue as the property values increase due to continued development.
- Sales tax increment increased \$1,288,589 in 2008 from 2007. Again, it is anticipated that this trend will continue with development continuing in the area and a full year of operations.
- Interest earnings decreased \$660,247 in 2008 from 2007. This decrease is primarily the result of lower project cash on hand due to project completions.
- Operating expenses increased \$109,976 in 2008 from 2007. This increase is due to an increase in the property tax collection fee paid to the county treasurer, consistent with the increase in property tax revenues. Payments on an economic development agreement (EDA) also began in 2008.
- Debt service costs decreased \$588,584 in 2008 from 2007 because, due to the conversion from variable rate bonds to bank bonds, no principal payment was made as well as because of the decrease in variable debt interest rates.

South Sheridan URA

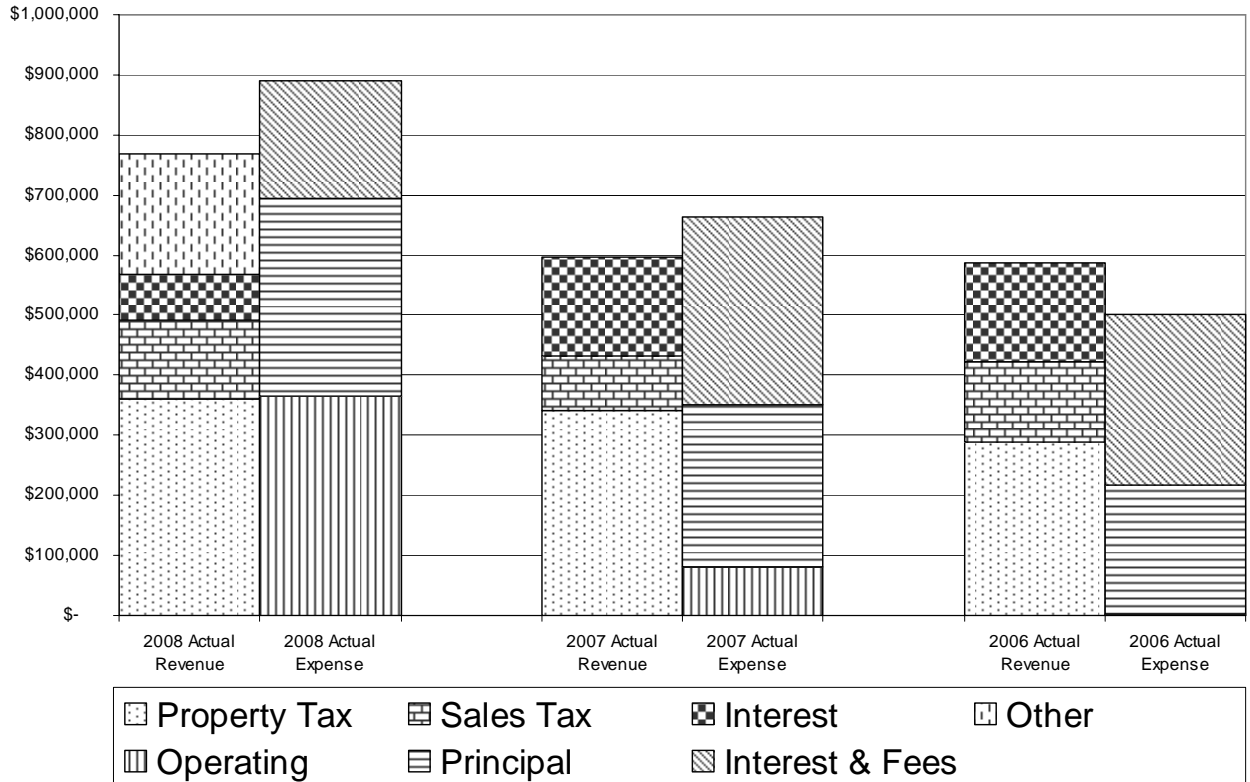
South Sheridan URA 2008 Revenues vs Expenses



- Interest and fees payments in 2008 were funded with capitalized interest from bond proceeds. It is anticipated that these funds will be exhausted in 2009, after which time property tax and sales tax increment should be more than adequate to cover all debt service and other obligations of the URA.
- There were no incremental property tax revenues in this URA in 2008. Due to the completion of a majority of the redevelopment in 2008, property tax increment will not be received until 2009.
- With the completion of a majority of the redevelopment in 2008, the sales tax base was met generating a sales tax increment of \$699,313.
- Interest earnings decreased \$88,465 in 2008 from 2007. This decrease is primarily the result of lower cash on hand due to project completions.
- Operating expenses increased \$550,629 in 2008 from 2007. This increase is due to payments on an EDA commencing in 2008.
- Debt service costs decreased \$588,584 in 2008 from 2007 because, due to the conversion from variable rate bonds to bank bonds, no principal payment was made as well as because of the decrease in variable debt interest rates.

South Westminster URA

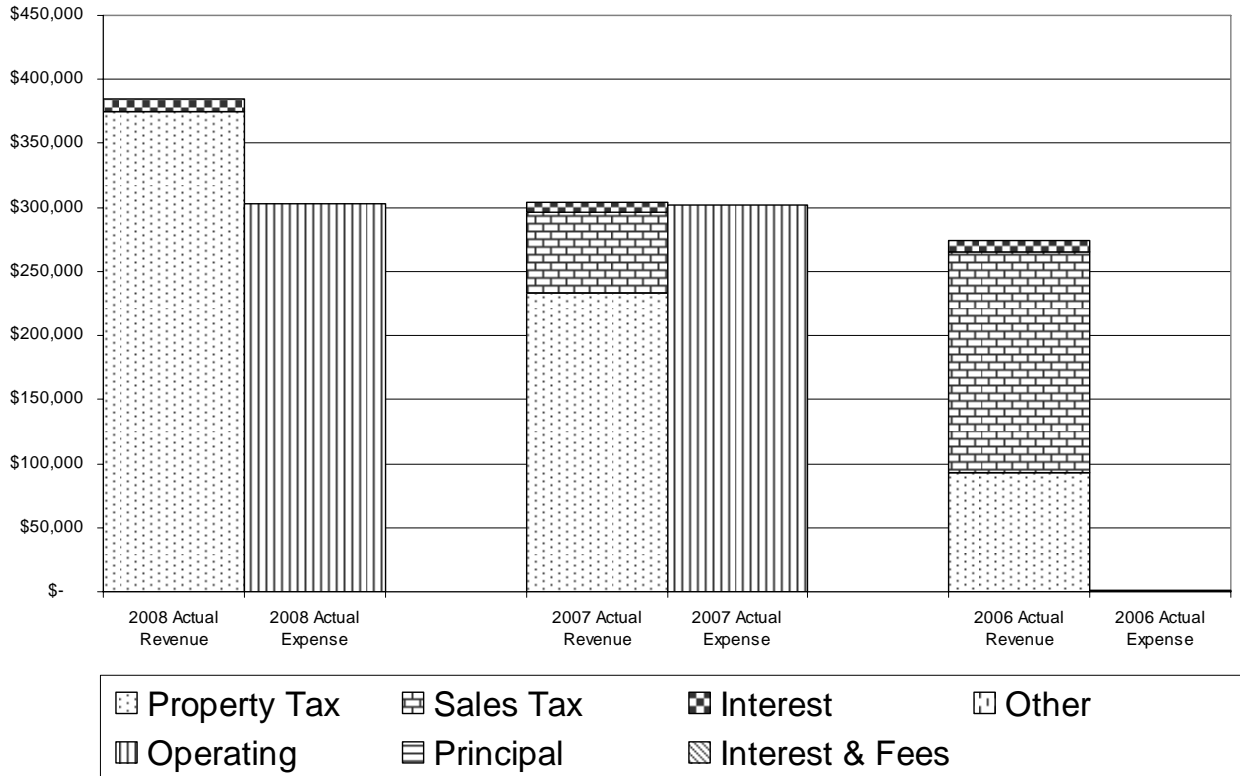
South Westminster URA 2008 Revenues vs Expenses



- Anticipated increases in property tax and sales tax increment in 2009 are budgeted to cover a portion of the URA's obligations, with existing available cash used to fund the remainder. This will result in a further reduction in this URA's fund balance.
- Property tax increment increased \$20,618 in 2008 from 2007. It is anticipated that this trend will continue for a couple of years due to some recent redevelopment projects.
- Sales tax increment increased \$37,086 in 2008 from 2007. Again, it is anticipated that this trend will continue with the completion of the recent redevelopment projects.
- Interest earnings decreased \$85,590 in 2008 from 2007. This decrease is primarily the result of lower cash on hand due to the reduction of increment received in recent years and principal payments on the interfund loan.
- Operating expenses increased \$284,309 in 2008 from 2007. This increase is due to an increase in the property tax collection fee paid to the county treasurer, consistent with the increase in property tax revenues. A one-time payment on an EDA also occurred in 2008.
- Transfers-in increased \$200,000 in 2008 from 2007 due to a transfer from the General Fund to assist the URA in meeting its obligations in 2008.
- Debt service costs decreased \$58,745 in 2008 from 2007 primarily due to a reduction in variable debt interest rates.

Westminster Center URA

Westminster Center East URA 2008 Revenues vs Expenses



- Property tax increment increased \$141,608 in 2008 from 2007.
- Sales tax increment decreased \$63,813 in 2008 from 2007. Sales tax increment was not transferred in 2008 as property tax increment was sufficient to meet obligations.
- Interest earnings increased \$2,667 in 2008 from 2007.
- Operating expenses increased \$1,540 in 2008 from 2007. This increase is due primarily to an increase in the property tax collection fee paid to the county treasurer, consistent with the increase in property tax revenues. EDA payments remained consistent in 2008 from 2007.
- This URA has no bonded debt obligations.

Respectfully submitted,

J. Brent McFall
 Executive Director of Authority

Attachments

**Westminster Economic Development Authority
Obligations at 12/31/08**

	<u>URA</u>	<u>Outstanding Balance</u>
<i><u>Bonds-Principal only</u></i>		
2005 WEDA Bonds	N Huron	\$ 68,300,000
2006 WEDA Bonds	Mandalay	38,205,000
2007 WEDA Bonds	South Sheridan	8,320,000
1997 WEDA Bonds	South Westminster	5,330,000
Total Bonds		<u>\$ 120,155,000</u>
 <i><u>EDA</u></i>		
Lowe's HIW, Inc. - 136th Avenue location	N Huron	\$ 685,000
Shoenberg Ventures	South Sheridan	5,000,000
LaConte Real Estate Trust	South Westminster	50,000
Parkwood East, LLC (formerly Carlson Associates, Inc.)	South Westminster	2,600,000
Lowe's HIW, Inc. - 88th Avenue location	Westminster Center	233,468
Pappa's Restaurants, Inc.	Westminster Center	238,598
Total EDA		<u>\$ 8,807,066</u>
 <i><u>Interfund loans</u></i>		
Gen Capital Improv Fund	Holly Park	\$ 1,125,000
General Fund	Holly Park	120,000
Utility Fund	South Westminster	2,400,000
Total Interfund loans		<u>\$ 3,645,000</u>

Westminster Economic Development Authority
Unaudited Financial Statements
For the period ending December 31, 2008

	Holly Park	Mandalay Gardens	North Huron	South Sheridan	South Westminster	Westminster Center East	Total
Revenues							
<i>Property Tax</i>	\$ -	\$ 1,471,485	\$ 4,029,502	\$ -	\$ 361,470	\$ 374,473	\$ 6,236,930
<i>Sales Tax</i>	-	1,538,908	1,968,814	699,313	129,016	-	4,336,051
<i>Interest</i>	3,812	143,416	627,753	60,538	77,869	10,178	923,566
<i>Miscellaneous</i>	-	-	-	-	-	41	41
<i>Transfers</i>	-	646,911	-	-	200,000	-	846,911
Total Revenues	3,812	3,800,720	6,626,069	759,851	768,355	384,692	12,343,499
Expenses							
<i>Operating</i>	1,700	23,084	116,079	550,629	364,422	303,111	1,359,025
<i>Capital Project -proj exp</i>	9,236	-	5,927,581	2,313,464	-	-	8,250,281
<i>Principal</i>	-	-	-	-	330,000	-	330,000
<i>Interest & Fees</i>	-	1,271,151	2,267,649	276,869	194,633	-	4,010,302
Total Expenses	10,936	1,294,235	8,311,309	3,140,962	889,055	303,111	13,949,608
<i>Revenues Over(under) Exp</i>	(7,124)	2,506,485	(1,685,240)	(2,381,111)	(120,700)	81,581	(1,606,109)
Beginning Fund Balance	(1,149,162)	4,720,888	23,809,736	3,787,535	408,080	11,137	31,588,214
Ending Fund Balance*	\$ (1,156,286)	\$ 7,227,373	\$ 22,124,496	\$ 1,406,424	\$ 287,380	\$ 92,718	\$ 29,982,105

* Ending fund balance includes the following reserved amounts that can be spent only as indicated in the line description:

Bond Reserve	\$ -	\$ 3,160,000	\$ 5,101,200	\$ 634,412	\$ 646,000	\$ -	\$ 9,541,612
Debt Service Reserve	-	3,249,169	6,667,370	892,122	913,105	-	11,721,766
Capital Project Reserve	55,502	-	10,133,656	131,744	-	-	10,320,902
Total Reserved Fund Balance	\$ 55,502	\$ 6,409,169	\$ 21,902,226	\$ 1,658,278	\$ 1,559,105	\$ -	\$ 31,584,280