

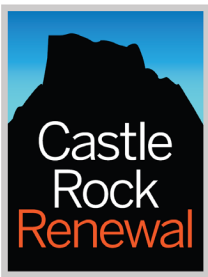
PUBLIC MEETING

**November 5, 2019, 6:00 pm
100 North Wilcox Street, Second Floor Council Chambers
Castle Rock, Colorado**

AGENDA

THIS MEETING IS OPEN TO THE PUBLIC. PLEASE NOTE THAT ALL TIMES INDICATED ON THE AGENDA ARE APPROXIMATE. INTERESTED PARTIES ARE ENCOURAGED TO BE PRESENT EARLIER THAN THE SCHEDULED TIME.

- 1. Call to Order / Roll Call:**
- 2. Approval of October 15, 2019 Minutes**
- 3. Staff Report:**
 - a. Approval of CRURA Resolution No. 2019-01:
Approving the 2019 CRURA Budget**
 - b. Approval of CRURA Resolution No. 2019-02:
Adopting the Town of Castle Rock /Castle Rock
Authority 2020 Loan Agreement**
 - c. Approval of CRURA 2018 Annual Report**
- 4. Adjourn**



CASTLE ROCK URBAN RENEWAL AUTHORITY

**October 15, 2019, 6:00 pm
100 North Wilcox Street, Second Floor Council Chambers
Castle Rock, Colorado**

MINUTES

THIS MEETING IS OPEN TO THE PUBLIC. PLEASE NOTE THAT ALL TIMES INDICATED ON THE AGENDA ARE APPROXIMATE. INTERESTED PARTIES ARE ENCOURAGED TO BE PRESENT EARLIER THAN THE SCHEDULED TIME.

Call to Order / Roll Call:

Chairman Gray called the URA Meeting to order at 6:55 pm.

Present: Gray, Loban, Bracken, Johnson, Teal
Absent: Townsend, Bower

Approval of November 6, 2018 Minutes

Motion: Teal
Second: Bracken
Approved: 5-0

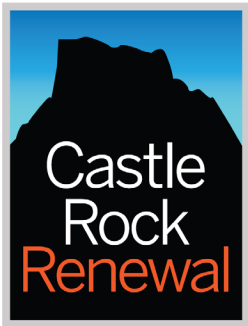
Presentation of the 2020 CRURA Budget and call for a public hearing on the CRURA Budget on November 5, 2019.

Motion to call a November 5, 2019 CRURA meeting to approve the 2020 CRURA Budget.

Motion: Johnson
Second: Teal
Approved: 5-0

Adjourn

Chairman Gray adjourned the meeting at 6:57 pm.



CRURA MEMORANDUM

To: Castle Rock Urban Renewal Authority Board of Commissioners

From: Bill Detweiler, Executive Director
Robert Slentz, Legal Counsel
Trish Muller, Treasurer
Pete Mangers, CRURA Finance

Date: November 5, 2019

RE: Castle Rock Urban Renewal Authority (CRURA) 2020 Annual Budget, 2020 Loan Agreement and 2019 Annual Report

Background and Introduction:

Staff is requesting URA Board of Commissioners (BOC) action on the 2020 CRURA Budget and 2020 CRURA / Town Council Loan Agreement. Both issues are consistent with previous funding discussions and include conservative estimates for revenue and expenditures in 2020. In addition, staff is requesting approval of the 2020 Annual Report.

The proposed 2020 CRURA Budget and 2020 CRURA Loan Agreement resolutions and spreadsheets are included for BOC review and approval. The budget document provides a funding source for 2020 and the 2020 loan agreement ensures funding is allocated. Future annual appropriations for CRURA will be acted upon by the BOC in association with Town Council budget calendar.

The Town's Economic Assistance Fund is the funding source for the loan agreement.

The proposed 2020 Budget of the Castle Rock Urban Renewal Authority (CRURA) is attached. In conformance with requirements of the State of Colorado, the budget must include anticipated revenues, proposed expenditures, beginning and ending fund balance, and three years of comparable budget data. The basis of accounting used in the CRURA Budget is accrual.

The proposed 2020 CRURA Budget equals \$16,200 to cover anticipated expenditures. That number is based upon the estimated time to process our first URA Project, Millers Landing, which will involve a significant level of financial and legal analysis to complete and may include expert consultant time to assist with and provide guidance to URA staff and the BOC. The proposed CRURA / Town Council Loan Agreement equals \$24,000 to cover anticipated expenditures in 2020 if we exceed the expenditures noted herein.

The budget is a plan for spending, not an authorization to spend. All significant expenditures require approval of the BOC. The anticipated revenue and planned expenditures of the 2020 CRURA budget are explained below.

Loan from Town and Contributed Services - Both sources of revenue loaned or contributed from the Town will be paid back once a project has been approved and Tax Increment Financing (TIF) is generated.

Legal and Professional Services – The amounts of \$3,000 and \$5,000 are for legal services provided by the Town attorney and a third party development consultant.

Activities in 2019:

Remediation of the abandoned municipal dump site was completed and certified by the State in July 2019. Remediation initiated a series of submittals for proposed infrastructure, site grading and pad preparation for future commercial development. Staff met with the County Assessor and the Millers Landing team to review TIF funding and coordination of funds to be placed in the special fund by the County Assessor following an annual assessment after site and building improvements begin. The URA Board previously acknowledged the Millers Landing concept plan was consistent with the Board approved URA Plan and an Interchange Overlay Zone (IOZ) rezoning application was approved by Town Council.

As the BOC members are aware, submittal of a URA Project is solely the responsibility of the private sector. There is nothing the BOC, URA Director, URA Town team or EDC Partners can do to speed up the process. We can only assist in providing support and moving applications through the process. Completion of the dump remediation, submittal of site grading and infrastructure plans and securing the hotel and conference room providers ensures the BOC and Town Council approved URA plans are moving forward. If the resources needed to process and take action on the URA Project requires more funding than predicted in the 2020 URA Budget, we will return to the BOC to amend the 2020 URA Budget and Loan Agreement if necessary.

Any costs associated with use of Town URA staff or EDC staff or use of consultants / expert consultants will be reimbursed by TIF revenues when a URA Project occurs and TIF is collected.

Staff Recommendation

Staff recommends approval of the 2020 CRURA budget, 2020 Town Council / CRURA loan agreement, and 2020 Annual Report.

Proposed Motions

I move to approve Resolution No. 2019-01 a resolution approving the 2020 CRURA Budget. I move to approve Resolution No. 2019-02 a resolution approving the 2020 CRURA / Town Council Loan Agreement. I move to approve the CRURA 2019 Annual Report.

Attachments

Attachment A: Resolution 2019-01 Approving the CRURA 2020 Budget
Attachment B: Resolution 2019-02 Approving CRURA 2020 Loan Agreement
Attachment C: CRURA 2019 Annual Report

Attachment A:

Resolution 2019-01 Approving the 2020 CRURA Budget

**CASTLE ROCK URBAN RENEWAL AUTHORITY
RESOLUTION NO. 2019-01**

**A RESOLUTION ADOPTING THE 2020 CASTLE ROCK
URBAN RENEWAL AUTHORITY BUDGET**

WHEREAS, formation of the Castle Rock Urban Renewal Authority (CRURA) was approved by the Castle Rock Town Council on June 4, 2013; and

WHEREAS, by State statute the CRURA Board of Commissioners is required to develop, adopt, and complete annual budget reports for the State; and

WHEREAS, the CRURA Board of Commissioners has prepared a budget reflecting projected revenues and expenditures for fiscal year 2020;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CASTLE ROCK URBAN RENEWAL AUTHORITY AS FOLLOWS:

Section 1. Approval. The Castle Rock Urban Renewal Authority hereby approves the 2020 Castle Rock Urban Renewal Authority Budget attached as ***Exhibit 1.***

ATTEST:

**CASTLE ROCK URBAN RENEWAL
AUTHORITY**

Lisa Anderson, Secretary

Jason Gray, Chair

Approved as to form:

Approved as to content

Robert J. Slentz, General Counsel

Bill Detweiler, Executive Director

Attachment B:

Resolution 2019-02 Approving the CRURA / Town of Castle Rock 2020 Loan Agreement

RESOLUTION NO. 2019-02

A RESOLUTION APPROVING THE TOWN OF TOWN OF CASTLE ROCK/CASTLE ROCK URBAN RENEWAL AUTHORITY 2020 LOAN AGREEMENT

WHEREAS, formation of the Castle Rock Urban Renewal Authority (“CRURA”) was approved by the Town Council on June 4, 2013; and

WHEREAS, the CRURA wishes to enter into a loan agreement with the Town of Castle Rock to provide funding to support the CRURA program until such time as Tax Increment Funding is generated and distributed to CRURA and the loan paid back in full to the Town of Castle Rock.

NOW, THEREFORE BE IT RESOLVED BY THE CASTLE ROCK URBAN RENEWAL AUTHORITY OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:

Section 1. Approval. The Castle Rock Urban Renewal Authority hereby approves the Town of Castle Rock/Castle Rock Urban Renewal Authority 2020 Loan Agreement, in the form attached as ***Exhibit 1***. The Castle Rock Urban Renewal Authority and other proper officials are authorized to execute the Loan Agreement by and on behalf of the Castle Rock Urban Renewal Authority of Castle Rock, Colorado.

PASSED, APPROVED AND ADOPTED this 5th day of November, 2019 by the Urban Renewal Authority of the Town of Castle Rock, Colorado, on first and final reading by a vote of ____ for and ____ against.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Clerk

Jason Gray, Chair

Approved as to form:

Approved as to content:

Robert J. Slentz, Legal Counsel

Bill Detweiler, Executive Director

**TOWN OF CASTLE ROCK/
CASTLE ROCK URBAN RENEWAL AUTHORITY
2020 LOAN AGREEMENT**

DATE: November 5, 2019

PARTIES: **CASTLE ROCK URBAN RENEWAL AUTHORITY**, 100 Wilcox Street, Castle Rock, Colorado 80104 ("CRURA").

TOWN OF CASTLE ROCK, a Colorado home rule corporation, 100 Wilcox Street, Castle Rock, Colorado 80104 ("Town").

RECITALS:

WHEREAS, the CRURA desires to borrow \$24,000 from the Town in order to operate in 2020 ("2020 Loan") since tax increment financing ("TIF") has not commenced within the Castle Rock Urban Renewal Area,

WHEREAS, the Town and the CRURA, as parties to existing loan agreements dated December 2, 2014 and November 21, 2017, seek to roll the terms of these loan agreements into the 2020 Loan Agreement,

WHEREAS, the Town has previously loaned the CRURA a total of \$51,072, with \$27,072 in December 2014 and \$24,000 in December 2017 ("Existing Loans"),

WHEREAS, the Town and the CRURA as parties to the Existing Loans, seek to roll these loan amounts, totaling \$51,072 into the 2020 Loan, and

WHEREAS, the Town has designated funds for the CRURA, and accordingly the Town is willing to loan \$24,000 for new development upon the terms and conditions set forth in this 2020 Loan Agreement.

NOW, THEREFORE, in consideration of the foregoing and these mutual promises, the Parties agree and covenant as follows:

Section 1. 2020 Loan. The Town shall loan to the CRURA \$24,000 in 2020. Funding may be advanced by the Town to the CRURA through December 31, 2020, to be used by the CRURA for costs incurred by the CRURA for its staffing and consultants in connection with review, processing, and conducting public hearings for any urban renewal project. Such amounts shall be paid directly to the CRURA by the Town. Any amounts so advanced by the Town shall be a second priority obligation only to the debt issued by the CRURA. Additionally, the Existing Loans, currently totaling \$51,072 shall be rolled into this 2020 Loan. Disbursement of the 2020 Loan proceeds is addressed in Section 5, below.

Section 2. Interest. Interest on the outstanding principal balance of the 2020 Loan shall accrue at a variable per annum rate equivalent to the Town's inter-fund borrowing rate ("IBR"), the average earnings rate for investments as calculated by the Town's investment broker, in effect on each anniversary date of the 2020 Loan plus one-half point (50 basis points), but in any event not to exceed 3.0 percent per annum. However, for the first year of the 2020 Loan the interest rate shall be fixed at 1.5 percent, irrespective of the IBR. Thereafter, the interest rate shall be reset on each anniversary date of the 2020 Loan and such reset rate shall be the rate applied to the outstanding principal to determine the interest due with the following annual installment payment. The Town's IBR is defined as the prior calendar year interest rate yield as calculated by the Town's year-end investment portfolio statement for existing Town funds (to illustrate the IBR methodology, the Town interest rate yield for 2013 was .7%).

Section 3. Loan Payments The 2020 Loan, currently totaling \$51,072, shall be due and payable each year on December 1. The 2020 Loan is payable in equal annual principal installments commencing after the date of the 2020 Loan. The annual principal installment shall be \$1,181. Each annual installment payment shall consist of the principal payment together with accrued interest then due and owing. The first annual installment of principal and interest shall be payable on December 1, 2024 and the Existing Loans shall be rolled into this 2020 Loan, which shall be due and payable each year on December 1. The 2020 Loan may be prepaid in whole at any time without penalty. The 2020 Loan may be prepaid in whole at any time without penalty.

All payments of the 2020 Loan by the CRURA (including prepayments) shall be made without setoff or counterclaim to the Town at the office of the Town, or such other location which may from time to time be designated in writing by the Town on the due date. If any payment under the 2020 Loan becomes due and payable on a day other than a day on which banking institutions in the Town of Castle Rock, Colorado are authorized by law to be open for business (a "Business Day"), then payment shall be due and payable on the next succeeding Business Day.

Section 4. Conditions Precedent The obligation of the Town to make the 2020 Loan shall be subject to the fulfillment prior to or contemporaneously with the making of such Loan of the following conditions precedent: (a) the 2020 Loan Agreement and the 2020 Loan (collectively, the "2020 Loan Documents") shall have been approved and executed and delivered by the respective parties; and (b) all proceedings and all other documents and legal matters in connection with the transactions contemplated by this 2020 Loan Agreement and the other 2020 Loan Documents shall be satisfactory in form and substance to the Town and its counsel, the CRURA, and its Board of Commissioners.

Section 5. Closing and Disbursement Upon satisfaction the conditions under Section 4, above, the parties shall schedule a Loan closing ("Closing") at a mutually acceptable date and time at the Town offices. At Closing, the CRURA shall tender a fully executed 2020 Loan and any other applicable 2020 Loan Documents. The loan disbursement of \$24,000 shall be disbursed upon need to the CRURA upon approval of this 2020 Loan Agreement by the Town Council.

Section 6. TABOR Compliance The parties do not intend that the 2020 Loan Documents create multiple fiscal year obligations of the CRURA under Article X, Section 20 of

the Colorado Constitution. Accordingly, the obligation of the CRURA to make the annual installment payments under the 2020 Loan Documents shall be subject to annual appropriation by the CRURA.

Section 7. Required Insurance During the term of this 2020 Loan Agreement, the CRURA shall maintain in full force and effect liability and casualty insurance for any project until completion with the coverage limits and conditions as the Town maintains under its umbrella insurance policy.

Section 8. Events of Default Upon the occurrence of any of the following events:

(a) the CRURA shall fail to pay the principal of or interest on the 2020 Loan, or any other amount payable hereunder, when due, whether by acceleration or otherwise;

(b) the CRURA is in default of any other provision of the 2020 Loan Documents and such default is not cured within 30 days after written notice of such default from Town; provided, however, if such default is not reasonably capable of being cured, then the CRURA shall have such additional period of time as shall be reasonably required to cure such default, provided the CRURA promptly commences and diligently pursues such cure; or

(c) then the 2020 Loan with accrued interest thereon, shall immediately become due and payable in full, and all amounts owing under this 2020 Loan Agreement shall be due and payable in full.

Section 9. Amendments and Waivers No amendments to this 2020 Loan Agreement or any other 2020 Loan Documents shall be effective without a written agreement signed by authorized officers of both the Town and the CRURA Board. No waiver of any provision of this 2020 Loan Agreement or any other 2020 Loan Documents shall be effective without a written waiver signed by an authorized officer of the party making such waiver.

Section 10. Notices Except as otherwise provided herein, all notices, requests, and demands to or upon the respective parties hereto to be effective, shall be transmitted in writing by hand delivery, by first class certified or registered mail, or by overnight courier service, addressed to the Town or the CRURA, as the case may be, at the address for such party as set forth above or at such other address as may be subsequently submitted by written notice of either party. Notices shall be deemed to have been given when received by the party to whom directed.

Section 11. No Waiver; Remedies Cumulative No failure to exercise and no delay in exercising on the part of the Town any right, remedy, power or privilege under this 2020 Loan Agreement or the other 2020 Loan Documents, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this 2020 Loan Agreement or any other 2020 Loan Documents preclude any other or further exercise thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this 2020 Loan Agreement or any other 2020 Loan Documents preclude any other or further exercise thereof or the exercise

of any other right, remedy, power or privilege. Each party shall be entitled to pursue any and all legal remedies and recover its reasonable attorney's fees and costs in such legal action.

Section 12. Survival All representations and warranties made under this 2020 Loan Agreement and the other 2020 Loan Documents and in any document, instrument, or certificate delivered pursuant thereto or in connection therewith shall survive the execution and delivery of the Loan.

Section 13. No Partnership or Joint Venture This Agreement does not create any legal relationship between the parties other than that of debtor and creditor. Accordingly, the CRURA expressly agrees to indemnify and hold harmless the Town or any of its officers or employees from any and all claims, damages, liability, or court awards including attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by anyone, including, but not limited to, any person, firm, partnership, or corporation, to the extent caused by the negligence or willful misconduct of the CRURA or any of its employees or agents. In the event that any such suit or action is brought against the Town, the Town will give notice within ten (10) days thereof to the CRURA.

Section 14. Miscellaneous Section or paragraph headings in this 2020 Loan Agreement are for convenience of reference only and do not affect the rights or obligations of any party hereto. In the event that any one or more of the provisions contained in this 2020 Loan Agreement or any other 2020 Loan Documents shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions in this Loan Agreement or such other 2020 Loan Documents. This 2020 Loan Agreement together with the exhibits hereto, and those portions of the 2020 Loan Documents incorporated by reference herein, embody the entire agreement and understanding between the parties hereto and supersede all other agreements and Understandings relating to the subject matter hereof.

CRURA:

ATTEST:

**CASTLE ROCK URBAN RENEWAL
AUTHORITY**

Lisa Anderson, Secretary

Jason Gray, Chair

Approved as to form:

Elizabeth Allen, General Counsel

Bill Detweiler, Executive Director

TOWN:

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Robert J. Slentz, Town Attorney

David L. Corliss, Town Manager

Attachment C:

CRURA 2019 Annual Report



Castle Rock **Renewal**

2019 ANNUAL REPORT

November 2019



Plan Highlights ~

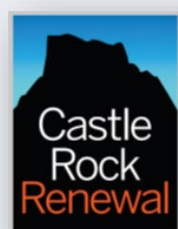
- Located at the NW intersection of Interstate 25 and Plum Creek Pkwy, bounded by Plum Creek Pkwy on the south, I-25 on the east, and the Castle Highlands Industrial Park on the north.
- Comprised of 3 privately owned legal parcels totaling approx. 65.9 acres within the Town boundary.
- To reduce, eliminate and prevent the spread of blight, the goal of the Plan is to remediate the abandoned municipal dump site and abandoned clay mines located on the site and stimulate growth and investment in the area.

Plan Update ~

- Miller's Landing Landfill remediation was completed in July 2019.

Citadel Station (Millers Landing) Urban Renewal Plan

Partners in Community Development



Contact us:

100 N. Wilcox Street
Castle Rock, CO 80104
720-733-3519
www.castlerockrenewal.org

2020 CRURA Budget

Line Item Description

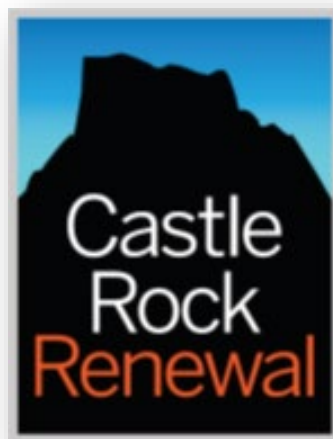
Revenues	<u>2018 Budget</u>	<u>2019 Budget</u>	<u>2019 Estimate</u>	<u>2020 Budget</u>
Property Tax Increment	\$ -	\$ -	\$ -	\$ -
Sales Tax Increment	-	-	-	-
Interest	-	-	-	-
Developer Fees	-	-	-	-
Misc. Revenue	-	-	-	-
Loan Proceeds from Town	24,000	24,000	-	24,000
Contributed Services	35,500	35,500	5,000	35,500
Proceeds from Debt Issuance	-	-	-	-
Total Revenue	<u>59,500</u>	<u>59,500</u>	<u>5,000</u>	<u>59,500</u>
Expenditures - Personnel				
Salaries/Benefits	<u>35,500</u>	<u>35,500</u>	<u>5,000</u>	<u>35,500</u>
Total Salaries/Benefits	<u>35,500</u>	<u>35,500</u>	<u>5,000</u>	<u>35,500</u>
Operating Expenditures				
Dues & Publications	250	250	-	250
Legal	3,000	3,000	3,000	3,000
Office Supplies	100	100	-	100
Postage	100	100	25	100
Bank Fees	500	500	72	500
Web Design and Maintenance	500	500	349	500
Professional Svs	10,000	10,000	-	10,000
Travel	500	500	-	500
Training	1,000	1,000	-	1,000
Outreach	250	250	-	250
Audit	-	-	-	-
Total Operating Expenditures	<u>16,200</u>	<u>16,200</u>	<u>3,446</u>	<u>16,200</u>
Contingency (15%)	<u>7,800</u>	<u>7,800</u>	<u>1,312</u>	<u>7,800</u>
Total Expense	<u>59,500</u>	<u>59,500</u>	<u>9,758</u>	<u>59,500</u>
Revenue Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>(4,758)</u>	<u>-</u>
Beginning Funds Available	29,132	28,714	28,714	23,956
Ending funds Available	<u>\$ 29,132</u>	<u>\$ 28,714</u>	<u>\$ 23,956</u>	<u>\$ 23,956</u>



CRURA

Commissioners

- ◇ Jason Gray, *Chair*
- ◇ Jason Bower, *Vice-Chair*
- ◇ Kevin Bracken
- ◇ James Townsend
- ◇ Jess Loban
- ◇ Caryn Johnson
- ◇ George Teal



CRURA

Staff

- ◇ Bill Detweiler,
Executive Director
- ◇ Bob Slentz,
Legal Counsel
- ◇ Trish Muller,
Treasurer
- ◇ Lisa Anderson,
Clerk