

PUBLIC MEETING

**October 6, 2020, 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.

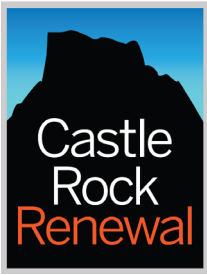
Approval of November 5, 2019 Minutes

**Appointment of Pete Mangers as Executive Director of the Castle Rock Urban
Renewal Authority**

Staff Report:

- 1. Approval of CRURA Resolution No. 2020-01: A Resolution Approving the 2020 CRURA Budget**
- 2. Approval of CRURA Resolution No. 2020-02: A Resolution Adopting the Town of Castle Rock / Castle Rock Urban Renewal Authority 2020 Loan Agreement**
- 3. Approval of CRURA 2020 Annual Report**

Adjourn



PUBLIC MEETING

November 5, 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 7:03 pm. All members were present.

Pledge of Allegiance

Unscheduled Public Comment (*During this time, members of the public are invited to address the Authority on items which are **NOT** scheduled on the agenda. Comments are limited to four (4) minutes per speaker.*)

No public comment.

Approval of October 15, 2019 Minutes

*Moved by Townsend, seconded by Loban to Approve the Minutes as presented.
Passed by a vote of 7-0.*

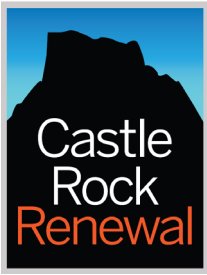
Staff Report:

1. Approval of CRURA Resolution No. 2019-01: A Resolution Approving the 2020 CRURA Budget

Bill Detweiler stated that this is the 5th year they have provided an annual report and that the budget has not changed since last year.

No public comment.

*Moved by Teal, seconded by Townsend to Approve the Resolution as presented.
Passed by a vote of 7-0.*



2. Approval of CRURA Resolution No. 2019-02: A Resolution Adopting the Town of Castle Rock / Castle Rock Urban Renewal Authority 2020 Loan Agreement

Bill Detweiler presented the item.

No public comment.

*Moved by Teal, seconded by Townsend to Approve the Resolution as presented.
Passed by a vote of 7-0.*

3. Approval of CRURA 2020 Annual Report

Bill Detweiler presented the item. The development team has been moving forward. Remediation is completed and they received state certifications. The Town has been working with them to review construction plans to create the infrastructure.

P3 representative, Sean Temple, provided an update. They are doing early grading for construction of infrastructure and design build of phase 1 that will include a resort, office and retail. They intend to have pads ready 2nd quarter of 2020. Bower asked for an update on the hotel. Temple stated they hired a group as their operator working with them to design build the resort project with 300 rooms and a 40-50k square foot conference and event space. They have a development partner and will have more updates next year.

Bracken stated P3 moved to Castle Rock. Temple confirmed they closed their Chicago office and are in the Riverwalk and have a corporate apartment there. Bracken stated there is an influx of Air B&B's in Castle Rock and feels a hotel will help fit that need.

No public comment.

*Moved by Teal, seconded by Loban to Approve the CRURA 2020 Annual Report as presented.
Passed by a vote of 7-0.*

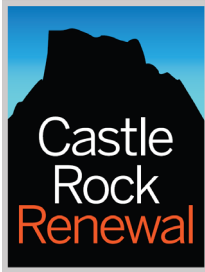
Adjourn

*Moved by Gray, seconded by Loban to Adjourn the meeting.
Passed by a vote of 7-0.*

Mayor adjourned the URA meeting at 7:17 pm.

Submitted by:

Lisa Anderson, Secretary to the Board



CRURA MEMORANDUM

Date: October 6, 2020

To: Castle Rock Urban Renewal Authority Board of Commissioners

From: Pete Mangers, Executive Director
Michael J. Hyman, Legal Counsel
Trish Muller, Treasurer

Subject: Castle Rock Urban Renewal Authority (CRURA) 2021 Annual Budget, 2021 Loan Agreement and 2020 Annual Report

Background and Introduction:

Staff is requesting URA Board of Commissioners (BOC) action on the 2021 CRURA Budget and 2021 CRURA / Town Council Loan Agreement. Both issues are consistent with previous funding discussions and include conservative estimates for revenue and expenditures in 2021. In addition, staff is requesting approval of the 2020 Annual Report.

The proposed 2021 CRURA Budget and 2021 CRURA Loan Agreement resolutions and spreadsheets are included for BOC review and approval. The budget document provides a funding source for 2021 and the 2021 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 Development Fund is the funding source for the loan agreement.

The proposed 2021 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 CRURA / Town Council Loan Agreement equals \$24,000 to cover anticipated expenditures in 2021 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 2021 CRURA budget are explained below.

Loan from Town

In 2020, CRURA started to generate property tax TIF that will be used to pay the balance of the existing loan from the Town, approximately \$54k. CRURA wishes to enter into the 2021 loan agreement with the Town, as needed, to provide operational cash flow for CRURA until sufficient TIF is generated.

Contributed Services - Revenue contributed from the Town will be paid back once a project has been approved and Tax Increment Financing (TIF) is generated.

Activities in 2020:

No significant capital improvements were completed in 2020. 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 2021 CRURA budget, 2021 Town Council / CRURA loan agreement, and 2020 Annual Report.

Proposed Motions

I move to approve Resolution No. 2020-01 a resolution approving the 2021 CRURA Budget. I move to approve Resolution No. 2020-02 a resolution approving the 2021 CRURA / Town Council Loan Agreement. I move to approve the CRURA 2020 Annual Report.

Attachments

- Attachment A: Resolution 2020-01 Approving the CRURA 2021 Budget
- Attachment B: Resolution 2020-02 Approving CRURA 2021 Loan Agreement
- Attachment C: CRURA 2020 Annual Report

Attachment A:

Resolution 2020-01 Approving the 2021 CRURA Budget

CASTLE ROCK URBAN RENEWAL AUTHORITY

RESOLUTION NO. 2020-01

**A RESOLUTION ADOPTING THE 2021 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 2021;

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 2021 Castle Rock Urban Renewal Authority Budget attached as *Exhibit 1*.

PASSED, APPROVED AND ADOPTED this 6th day of October, 2020 by the Urban Renewal Authority of the Town of Castle Rock, Colorado, on first and final reading by a vote of _____ for and ____ against.

CRURA:

ATTEST:

**CASTLE ROCK URBAN RENEWAL
AUTHORITY**

Lisa Anderson, Secretary

Jason Gray, Chair

Approved as to form:

Michael J. Hyman, General Counsel

2021 CRURA Budget

DRAFT

Line Item Description

Revenues	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2020 Estimate</u>	<u>2021 Budget</u>
Property Tax Increment	\$ -	\$ -	\$ 150,329	\$ 155,000
Town Fee of .5%	-	-	(752)	(775)
Sales Tax Increment	-	-	-	-
Interest	-	-	-	-
Developer Fees	-	-	-	-
Misc. Revenue	-	-	-	-
Loan Proceeds from Town	-	24,000	-	24,000
Contributed Services	-	35,500	5,000	35,500
Proceeds from Debt Issuance	-	-	-	-
Total Revenue	-	59,500	154,577	213,725
Expenditures - Personnel				
Salaries/Benefits	-	35,500	5,000	35,500
Total Salaries/Benefits	-	35,500	5,000	35,500
Operating Expenditures				
Dues & Publications	-	250	-	250
Legal	15	3,000	3,000	3,000
Office Supplies	-	100	-	100
Postage	-	100	25	100
Bank Fees	54	500	72	500
Web Design and Maintenance	349	500	349	500
Professional Svcs	-	10,000	-	10,000
Travel	-	500	-	500
Training	-	1,000	-	1,000
Outreach	-	250	-	250
Audit	-	-	-	-
Total Operating Expenditures	418	16,200	3,446	16,200
Debt Service Payments				
Principle	-	-	51,072	24,000
Interest	-	-	2,453	360
Total Debt Service Payments	-	-	53,525	24,360
Other Expenses				
Transfer to Dist. Bond Agent	-	-	96,804	-
Contingency (15%)	-	7,800	-	7,800
Total Other Expense	-	7,800	96,804	7,800
Total Expense	418	59,500	158,775	59,500
Revenue Over/(Under) Expenditures	(418)	-	(4,198)	154,225
Beginning Funds Available	28,714	28,296	28,714	24,516
Ending funds Available	\$ 28,296	\$ 28,296	\$ 24,516	\$ 178,741

Attachment B:

Resolution 2020-02 Approving CRURA 2021 Loan Agreement

**CASTLE ROCK URBAN RENEWAL AUTHORITY
RESOLUTION NO. 2020-02**

**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:

PASSED, APPROVED AND ADOPTED this 6th day of October, 2020 by the Urban Renewal Authority of the Town of Castle Rock, Colorado, on first and final reading by a vote of _____ for and ____ against.

CRURA:

ATTEST:

**CASTLE ROCK URBAN RENEWAL
AUTHORITY**

Lisa Anderson, Secretary

Jason Gray, Chair

Approved as to form:

Michael J. Hyman, General Counsel

**TOWN OF CASTLE ROCK/CASTLE ROCK URBAN
RENEWAL AUTHORITY
2021 LOAN AGREEMENT**

DATE: October 6, 2020

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 2021 ("2021 Loan") since the tax increment financing has not commenced within the Castle Rock Urban Renewal Area.

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 2021 Loan Agreement.

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

Section 1. 2021 Loan. The Town shall loan the CRURA \$24,000 in 2021. Funding may be advanced by the Town to the CRURA through December 31, 2021, 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

Section 3. Interest. Interest on the outstanding principal balance of the 2021 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 2021 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 2021 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 2021 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 2021 Loan shall be due and payable each year on December 1. Each payment shall consist of the principal payment together with accrued interest then due and owing. The 2021 Loan may be prepaid in whole at any time without penalty.

All payments of the 2021 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 2021 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 2021 Loan shall be subject to the fulfillment prior to or contemporaneously with the making of such Loan of the following conditions precedent: (a) the 2021 Loan Agreement and the 2020 Loan (collectively, the "2021 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 2021 Loan Agreement and the other 2021 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 2021 Loan and any other applicable 2021 Loan Documents. The loan disbursement of \$24,000 shall be disbursed upon need to the CRURA upon approval of this 2021 Loan Agreement by the Town Council.

Section 6. TABOR. The Parties acknowledge that, according to the decision of the Colorado Court of Appeals in *Olson v. City of Golden*, 53 P.3d 747 (2002), an urban renewal authority is not a local government and therefore is not subject to the provisions of Article X, Section 20 of the Colorado Constitution. Accordingly, CRURA's obligation to repay the 2021 Loan in accordance with the terms and provisions of this 2021 Loan Agreement does not require voter approval in advance and is not subject to annual appropriation.

Section 7. Required Insurance. During the term of this 2021 Loan Agreement, 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 either of the following events:

(a) CRURA shall fail to pay the principal of or interest on the 2021 Loan, or any other amount payable hereunder, when due, whether by acceleration or otherwise; or

(b) CRURA is in default of any other provision of the 2021 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,

then the 2021 Loan with accrued interest thereon, shall immediately become due and payable in full, and all amounts owing under this 2021 Loan Agreement shall be due and payable in full.

Section 9. Amendments and Waivers. No amendments to this 2021 Loan Agreement or any other 2021 Loan Document 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 2021 Loan Agreement or any other 2021 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 2021 Loan Agreement or the other 2021 Loan Documents, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this 2021 Loan Agreement or any other 2021 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 2021 Loan Agreement or any other 2021 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 2021 Loan Agreement and the other 2021 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, to the extent permitted by law, CRURA expressly agrees to indemnify and hold harmless 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 CRURA or any of its employees or agents. In the event that any such suit or action is brought against Town, Town will give notice within ten (10) days thereof to CRURA.

Section 14. Miscellaneous. Section or paragraph headings in this 2021 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

Section 15. Severability. Should any of the of the provisions contained in this 2021 Loan Agreement or any other 2021 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 2021 Loan Agreement or such other 2021 Loan Documents.

Section 16. Entire Agreement. This 2021 Loan Agreement together with the exhibits hereto, and those portions of the 2021 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:

Michael J. Hyman, General Counsel

TOWN:

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

Attachment C:

CRURA 2020 Annual Report



Castle Rock **Renewal**

2020 ANNUAL REPORT

October 2020

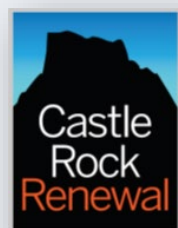


Citadel Station (Millers Landing) Urban Renewal Plan

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.

Partners in Community Development



Contact us:

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

2021 CRURA Budget

Line Item Description

Revenues	<u>2019</u> <u>Actual</u>	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Estimate</u>	<u>2021</u> <u>Budget</u>
Property Tax Increment	\$ -	\$ -	\$ 150,329	\$ 155,000
Town Fee of .5%	-	-	(752)	(775)
Sales Tax Increment	-	-	-	-
Interest	-	-	-	-
Developer Fees	-	-	-	-
Misc. Revenue	-	-	-	-
Loan Proceeds from Town	-	24,000	-	24,000
Contributed Services	-	35,500	5,000	35,500
Proceeds from Debt Issuance	-	-	-	-
Total Revenue	<u>-</u>	<u>59,500</u>	<u>154,577</u>	<u>213,725</u>
Expenditures - Personnel				
Salaries/Benefits	-	35,500	5,000	35,500
Total Salaries/Benefits	-	35,500	5,000	35,500
Operating Expenditures				
Dues & Publications	-	250	-	250
Legal	15	3,000	3,000	3,000
Office Supplies	-	100	-	100
Postage	-	100	25	100
Bank Fees	54	500	72	500
Web Design and Maintenance	349	500	349	500

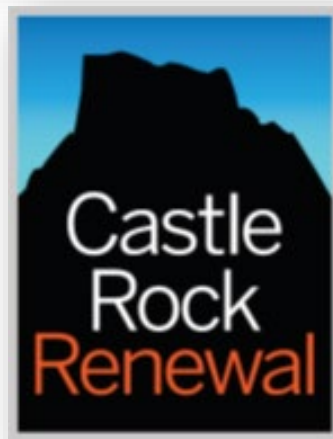
Professional Svs	-	10,000	-	10,000
Travel	-	500	-	500
Training	-	1,000	-	1,000
Outreach	-	250	-	250
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CRURA

Commissioners

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



CRURA

Staff

- ◇ Pete Mangers,
Executive Director
- ◇ Michael J. Hyman,
Legal Counsel
- ◇ Trish Muller,
Treasurer
- ◇ Lisa Anderson,
Clerk