

November 7, 2019

Administrative Officer
State of Colorado
Department of Local Affairs
1313 Sherman Street, Room 521
Denver, CO 80203

Re: Arvada Urban Renewal Authority
Budget for Fiscal Year 2020

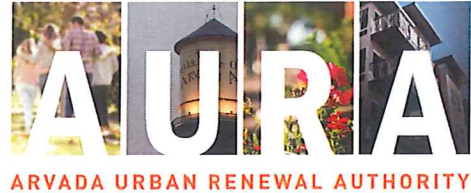
To Whom It May Concern:

Transmitted with this letter is the Arvada Urban Renewal Authority's (Authority) adopted 2020 budget. The budget was developed by staff and the Finance Committee and presented to the Arvada Urban Renewal Authority Board of Commissioners (Board) in October 2019. The Board approved the 2020 budget on November 6, 2019. It is important to note that the approved budget is balanced, meaning that revenues and available fund balances equal or exceed expenditures.

The Board adopts a budget for the following governmental funds:

- General Fund – The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund.
- Jefferson Center District – The Jefferson Center District Fund is a capital projects fund established in 2003 to account for the financial activities of a 60-acre site that includes the Plains End Power Plant.
- Northwest Arvada – The Northwest Arvada Fund is a capital projects fund created in 2010 to account for the financial activities of this urban renewal area that includes the Candelas development community.
- Ralston Fields – The Ralston Fields Fund is a capital projects fund created in 2003 to account for the financial activities of this urban renewal area, which includes the Arvada Ridge Market Place, Arvada Station Apartments, Gateway at Arvada Ridge, Ralston Creek - Super Walmart and Ralston Creek North.

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- Olde Town – The Olde Town Fund is a capital projects fund used to account for the financial activities of this urban renewal area including Park Place Olde Town and Solana Olde Town Station which are the two newest apartment buildings in Olde Town.
- Village Commons – The Village Commons Fund is a capital projects fund created in 2008 to account for the financial activities of the Hilton Garden Inn.

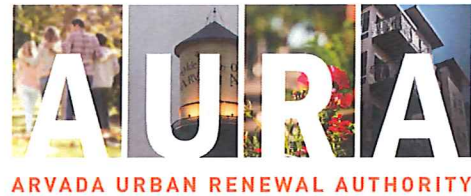
The Board annually approves all budgeted funds. Annual budgets for the governmental funds for the Authority are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period when the liability is incurred, if measurable. All revenues and expenditures and the beginning and ending fund balance are shown in the budget. The goal is to ensure that no funds have a negative fund balance at the end of the year.

Control of expenditures is exercised at the fund level. Once the Board adopts the budget, the financial management system is used to monitor financial activity. Periodic financial reports are prepared for the Board comparing actual expenditures and revenues against the budgeted amounts. The adopted budget can be amended during the year. This action requires Board approval in the form of a resolution.

The 2020 General Fund budget reflects three staff members, which is the same as the 2019 budget. Other operating costs remain comparable to the 2019 budget, except for a \$290,000 decrease in professional services due to decreased legal and consulting expenses.

Although the budgets for Jefferson Center District and Northwest Arvada have increased compared to 2019, there are no program changes contemplated for this fund. The increased budget reflects the increased residential activity and related redevelopment payments in this area.

The Ralston Fields budget continues the commitment to redevelop the older area of Ralston Fields, primarily along Ralston Road. There is a small increase in property tax revenue due to the addition of the Gateway apartments and an increase in recovered costs based on the expected sale of property in the Ralston Creek North area. The Authority continues to work with a developer on Phase 2 of the Ralston Creek North project area which will consist of multi-family housing that will complete the development in this area. Other budgeted expenditures include \$1,640,000 for contract



incentives, \$600,000 for principal and interest on a note used to purchase the Arvada Square property and \$150,000 for environmental clean-up in Ralston Creek North.

The Olde Town budget increased \$120,000 for the property tax increment for the two mixed use developments in this urban renewal area and \$86,000 for the sales tax increment in this area. Contract incentive expenditures in this fund increased \$35,000. The budget also includes \$50,000 for consulting for a potential project in this area.

Property tax, sales tax and lodging tax are collected in Village Commons which is the small urban renewal area that includes the Hilton Garden Inn. Property tax is estimated to increase \$219,000 now that property tax is based on the full value of the completed project. There is a small increase in sales tax in this fund. The expenditures in this fund relate to an incentive agreement and payment of principal and interest on a note for the purchase of the land.

The 2020 budget continues AURA's mission of revitalizing underutilized areas of Arvada, guided by a community vision that adapts to evolving challenges.

Sincerely,

Maureen Phair
Executive Director

Enclosures

RESOLUTION AR-19-08

A RESOLUTION APPROVING THE
ARVADA URBAN RENEWAL AUTHORITY
BUDGET FOR FISCAL YEAR 2020

WHEREAS, the Arvada Urban Renewal Authority (AURA) has set development goals for 2020 for the urban renewal area and certain expenditures are required to attain these goals; and

WHEREAS, a budget is required by law to set forth AURA's projected income and expenditures for 2020 and a budget has been prepared for AURA for the fiscal year 2020; and,

WHEREAS, notice of AURA's consideration of its 2020 budget at this meeting was timely published pursuant to the requirements of State law; and

WHEREAS, the total 2020 Budget of \$28,066,060 provides for a General Fund Budget of \$574,060; a Ralston Fields Budget of \$3,890,000; a Jefferson Center Budget of \$11,602,000; a Northwest Arvada Budget of \$10,425,000; an Olde Town Arvada Budget of \$890,000; and, a Village Commons Budget of \$685,000; and

WHEREAS, at its meeting on October 21, 2019, the Arvada City Council gave initial approval to the proposed AURA budget, in content, for fiscal year 2020 by Resolution R19-094, a copy of which is attached hereto and incorporated herein by this reference, and marked as Exhibit A; and

WHEREAS, AURA held a properly noticed public hearing on November 6, 2019, at which time the public was invited to attend, give comment on or object to the proposed budget;

WHEREAS, AURA and the City of Arvada have established accounting and auditing systems to account for these funds.

NOW THEREFORE BE IT RESOLVED BY THE ARVADA URBAN RENEWAL AUTHORITY, ARVADA, COLORADO, THAT:

Section 1. The AURA budget for fiscal year 2020, attached hereto as Exhibit B, is hereby approved.

INTRODUCED AND ADOPTED this 6th day of November, 2019.


Fred Jacobsen, Chairman

ATTEST:


Maureen Phair, Executive Director

APPROVED AS TO FORM:


Legal Counsel 
Date

Exhibit A

RESOLUTION NO. R19-094

A RESOLUTION APPROVING, IN CONTENT, THE ARVADA URBAN RENEWAL
AUTHORITY (AURA) BUDGET FOR FISCAL YEAR 2020

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARVADA, COLORADO:

Section 1. The Arvada Urban Renewal Authority budget for fiscal year 2020, which by reference is incorporated herein, is hereby approved.

Section 2. This resolution shall be effective upon its approval by the City Council.

APPROVED AND ADOPTED this 21st day of October, 2019.

Marc Williams

Marc Williams, Mayor

ATTEST:

Kristen R. Rush, City Clerk

City Clerk



APPROVED AS TO FORM:

Rachel Morris

Rachel A. Morris, City Attorney

Exhibit B

AURA GENERAL FUND					
Proposed 2020 Budget					
Fund 80 - Division 1284					
OBJECT	DESCRIPTION	2018 ACTUAL	2019 BUDGET	2020 PROPOSED BUDGET	
46102	Interest - Investments	\$ 26,126	\$ 40,000	\$ 40,000	
47184	Transfer to AURA from JC (Power Plant)	450,683	145,000	155,000	
47185	Transfer to AURA from Ralston Fields	1,221,107	1,500,000	1,385,000	
47187	Transfer to AURA from Northwest (Candelas)	-	372,000	413,000	
47188	Transfer to AURA from Olde Town Station	337,883	204,000	305,000	
47189	Transfer to AURA from Village Commons	184,564	142,655	406,655	
	Recovered Costs	2,452	-	-	
	TOTAL REVENUE	2,222,815	2,403,655	2,704,655	
51101	Salaries and Wages	346,213	271,737	276,850	
51102	Overtime	-	2,000	2,000	
51103	Group Insurance	46,152	42,822	44,244	
51105	Retirement	34,599	30,762	30,957	
51106	Medicare	4,932	3,883	4,101	
51107	Temporary Wages	-	500	500	
51108	Workers Compensation Insurance	101	101	1,264	
51112	Car Allowance	8,004	6,000	6,000	
51131	Dental	2,580	2,420	2,468	
51132	Long-Term Disability	974	1,093	1,198	
51133	Life Insurance	1,278	928	1,183	
53001	Services and Charges	5,918	1,000	1,000	
53002	Training and Meetings	28,626	30,000	30,000	
53004	Printing and Binding	625	2,000	2,000	
53011	Memberships, Dues, Subscriptions, Donations, Advertising, Promotions	8,744	20,000	20,000	
53016	Risk Management Services	1,137	726	775	
53017	Mileage Reimbursement	-	500	500	
53018	Property Insurance	3,136	334	167	
53019	General Liability - Insurance	919	1,531	1,683	
53091	Natural Gas	2,376	-	-	
53094	Phone	1,691	-	-	
53095	Cell Phone/PDA	807	-	-	
54001	Supplies and Expenses	1,648	5,000	5,000	
54003	Postage	65	750	750	
54006	Computer Hardware/Software	2,562	-	-	
54008	Computer Replacement	5,018	2,608	2,660	
54009	Computer Maintenance	5,624	3,146	3,720	
54013	Small Equipment	2,013	2,040	2,040	
55001	Professional Services	143,389	350,000	60,000	
55004	Leases	58,273	70,000	72,000	
58106	Repair and Maintenance - Equipment	-	1,000	1,000	
	TOTAL EXPENSES	717,404	852,881	574,060	
	NET INCOME/(LOSS)	1,505,411	1,550,774	2,130,595	
	Fund Balance Beginning	7,608,289	9,113,700	10,664,474	
	Fund Balance Ending	\$ 9,113,700	\$ 10,664,474	\$ 12,795,069	

JEFFERSON CENTER - (POWER PLANT)					
Proposed 2020 Budget					
Fund 84 - Division 1206					
OBJECT	DESCRIPTION	2018 ACTUAL	2019 PROPOSED BUDGET	2020 PROPOSED BUDGET	
41102	Property Tax Increment	\$ 2,058,088	\$ 1,750,000	\$ 1,750,000	
46102	Interest - Investments	-	-	-	
47187	Transfer from Northwest (Candelas)	8,339,250	8,718,000	9,852,000	
	TOTAL REVENUE	10,397,338	10,468,000	11,602,000	
53014	Contract Services	-	1,200	1,200	
55001	Professional Services	39,775	40,000	40,000	
55003	Contract Incentives	9,906,880	10,281,800	11,405,800	
59180	Transfer to AURA	450,683	145,000	155,000	
	TOTAL EXPENSES	10,397,338	10,468,000	11,602,000	
	NET INCOME/(LOSS)	-	-	-	
	Fund Balance Beginning	-	-	-	
	Fund Balance Ending	\$ -	\$ -	\$ -	
NORTHWEST ARVADA - (CANDELAS)					
2020 Budget					
Fund 87 - Division 1208					
OBJECT	DESCRIPTION	2018 ACTUAL	2019 PROPOSED BUDGET	2020 PROPOSED BUDGET	
41102	Property Tax Increment	\$ 8,466,244	\$ 9,200,000	\$ 10,425,000	
46102	Interest - Investments	-	-	-	
	TOTAL REVENUE	8,466,244	9,200,000	10,425,000	
55001	Professional Services	126,994	110,000	160,000	
59180	Transfer to AURA	-	372,000	413,000	
59184	Transfer to JCMD	8,339,250	8,718,000	9,852,000	
	TOTAL EXPENSES	8,466,244	9,200,000	10,425,000	
	NET INCOME/(LOSS)	-	-	-	
	Fund Balance Beginning	-	-	-	
	Fund Balance Ending	\$ -	\$ -	\$ -	

RALSTON FIELDS					
Proposed 2020 Budget					
Fund 85 - Divison 1207					
OBJECT	DESCRIPTION	2018 ACTUAL	2019 BUDGET	2020 PROPOSED BUDGET	
41102	Property Tax Increment	\$ 1,249,592	\$ 1,200,000	\$ 1,500,000	
42202	Public Improvement Fee	2,233,721	2,050,000	2,050,000	
46102	Interest - Investments	31,620	40,000	40,000	
46503	Recovered Costs	-	300,000	300,000	
	TOTAL REVENUE	3,514,933	3,590,000	3,890,000	
53091-95	Utilities	21,324	20,000	20,000	
53014	Contract Services	-	-	200,000	
55001	Professional Services	18,744	25,000	30,000	
55003	Contract Incentives	1,765,993	1,640,000	1,640,000	
56001	Principal	-	250,000	457,110	
56002	Interest	237,500	150,000	142,890	
58103	Repair and Maintenance -Land	3,124	5,000	15,000	
58202	Capital Improvement (CIP)	247,142	-	-	
58180	Transfer to AURA	1,221,106	1,500,000	1,385,000	
	TOTAL EXPENSES	3,514,933	3,590,000	3,890,000	
	NET INCOME/(LOSS)	-	-	-	
	Fund Balance Beginning	-	-	-	
	Fund Balance Ending	\$ -	\$ -	\$ -	
OLDE TOWN ARVADA					
Proposed 2020 Budget					
Fund 88- Divison 1209					
OBJECT	DESCRIPTION	2018 ACTUAL	2019 BUDGET	2020 PROPOSED BUDGET	
41102	Property Tax Increment	\$ 248,832	\$ 480,000	\$ 600,000	
41302	Sales Tax	290,900	204,000	290,000	
46102	Interest - Investments	-	-	-	
	TOTAL REVENUE	539,732	684,000	890,000	
53014	Contract Services	-	-	50,000	
55001	Professional Services	-	-	10,000	
55003	Contact Incentives	198,000	480,000	515,000	
58103	Repair and Maintenance	-	-	10,000	
59180	Transfer to AURA	337,883	204,000	305,000	
	TOTAL EXPENSES	535,883	684,000	890,000	
	NET INCOME/(LOSS)	3,849	-	-	
	Fund Balance Beginning	-	-	-	
	Fund Balance Ending	\$ 3,849	\$ -	\$ -	

RESOLUTION AR-19-09

A RESOLUTION APPROPRIATING THE
ARVADA URBAN RENEWAL AUTHORITY
BUDGET FOR FISCAL YEAR 2020

WHEREAS, the Arvada Urban Renewal Authority (AURA) approved its proposed budget for fiscal year 2020 by adopting AURA Resolution AR-19-08; and

WHEREAS, at its public meeting on October 21, 2019, the Arvada City Council approved AURA's budget, in content, for fiscal year 2020 by Resolution R19-094.

NOW THEREFORE BE IT RESOLVED BY THE ARVADA URBAN RENEWAL AUTHORITY, ARVADA, COLORADO, THAT:

Section 1. AURA hereby makes the following appropriation for its 2020 budget:

- A. Total appropriation (all funds): \$ 28,066,060
- B. The total appropriation as stated in subparagraph A. above, includes, but is not limited to, the following funds in the following amounts:
- | | | |
|---------------------|----|------------|
| 1) General Fund | \$ | 574,060 |
| 2) Ralston Fields | \$ | 3,890,000 |
| 3) Jefferson Center | \$ | 11,602,000 |
| 4) Northwest Arvada | \$ | 10,425,000 |
| 5) Olde Town Arvada | \$ | 890,000 |
| 6) Village Commons | \$ | 685,000 |

INTRODUCED AND ADOPTED this 6th day of November, 2019.


Fred Jacobsen, Chairman

ATTEST:


Maureen Phair, Executive Director

APPROVED AS TO FORM:


Legal Counsel


Date