



GOLDEN URBAN RENEWAL AUTHORITY

Memorandum

To: GURA Board of Commissioners
From: Mark Heller
Date: October 19, 2006
RE: Oct 23, 2006 meeting

This memo will provide background for several agenda items of the upcoming meeting.

III. Executive Session: Carolynne White will attend this session to provide her views on the current dispute with NexCore regarding responsibility for payment of the secondary power facilities.

VI.1.a. 3rd Quarter Report: Henry Tiberi's summary of the differences between 2nd Quarter 2006 to the same quarter 2005 pertain to this 3rd Quarter as well. However, the format of the spreadsheets has returned to the Quickbooks format used previously.

VI.1.b. 2007 Draft Budget: As predicted, this draft budget shows the reduced funding available for new projects due to the demands placed upon GURA's resources by the Gateway Station and Jackson Court projects. Until these redevelopment projects generate increment to offset GURA's expenditures, GURA will have limited funds for other purposes. This situation should begin to ease after next year.

At this point, property increment is shown to be less than last year due to lower than expected collections from the County. Sales tax increment is expected to be at the same level as this year, which is actually above the 2006 budget. The City/GDGID transfer of approximately \$83,000 of cash in lieu of parking funds will occur in 2007 as opposed to this year as originally planned. These funds will offset some of GURA's expenditures on the parking garage.

This draft budget proposes \$85,000 for general projects including professional consulting for such projects; \$20,000 for grants; and \$50,000 as contingency. The draft contains increases for web site upgrades, City-standard 4% pay raises, and community activities.

The line item “1-6100 City services” includes sidewalk cleaning, banners, holiday lights, restroom maintenance, parking enforcement, and the City’s work to maintain the streets and planters. Prior budgets tracked these programs somewhat more loosely, so this line item appears to show a larger than actual increase.

While not a budget item strictly speaking, this draft also shows the cash flow necessary to meet GURA’s loan obligations assuming the full amount of the loan will have been drawn by the close of 2007. GURA will close on the 2% loan from the Colorado Revolving Loan Fund by the end of this year. This will reduce the P&I of the Colorado Business Bank Loan by about half for the \$285,000 amount of the low interest loan, and GURA will pay interest only for the first four years on this amount.

VI.4.a. 2007 Draft Work Plan: I have re-organized, enlarged, edited, and provided budget estimates as directed. The column titled “Budgeted Line Item” means that funds for the work plan item is specifically included in a budget line item. The column titled “Project Budget” means that funds for the work plan item will come out of the general “Project” and “Project Professional” line items of the budget.

VI.4.b. Gateway Station update: The utility work is proceeding mostly according to schedule. NexCore is currently installing the caissons. Once the utility and caisson work is complete, the full excavation can proceed. Arcadis has completed installation of all injection wells, and also completed a full round of molasses injections. GURA has disbursed about \$437,000 for garage related expenditures and about \$213,000 for the remediation to date.

VII.a. Double D grant request: Doug Smith is purchasing the buildings currently housing Carleen’s and Meyers Appliances. He and neighbor to the north Burt Chisolm propose to remove the awning in front of their buildings and upgrade the facades. Smith will also undertake a complete remodel of the interior of his new buildings. Such a project would be in keeping with current policy. The Board might also consider the limited funds available as well as other priorities such as energy efficiency as it considers this request.

VII.b Aspen Climate Change conference: I attended this conference last week and learned of many programs that could assist GURA and the City to greatly improve the use of energy. The Downtown Character Committee has this as one of its major goals, GURA was recently awarded a NREL/DOE grant for this purpose, and the City is exploring this issue as well.

VII.c. CCRA Annual Conference: This agenda item was held over from the last meeting.

VII.d. Qwest Easement: As part of the Gateway Garage project, the Qwest junction box must be moved from its current location to a location next to the new garage along Prospectors Alley. This easement will allow Qwest access to the new junction box.

VII.e. Holiday lights: Following a meeting with Mike Bestor, Bob Lowry, Gary Wink, Dave Shuey, and others earlier this year, Debbie has been researching options for improving the holiday lights in downtown. Various options were discussed at a more recent meeting, and we will update the Board regarding that discussion.