

Revitalization Commission

Agenda

**Monday, May 13, 2013
Louisville Public Library
1st Floor Conference Room
951 Spruce Street (Northwest entrance)
7:30 AM – 9:00 AM**

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of April 8, 2013 Meeting Minutes
- V. Public Comments on Items Not on the Agenda (Limit to 3 Minutes)
- VI. Reports of Commission
- VII. Business Matters of Commission
 - a. Bicycle Facilities Map
 - b. Highway 42 Corridor RAMP application - Heather
 - c. Core Project Area Term Sheet Approval
 - i. Approval of Resolution 13-02
 - ii. Presentation to City Council
 - d. South Street Gateway Sign Update
- VIII. Items for Next Meeting June 10, 2013, 7:30am Library Meeting Room
 - a. South Street Gateway design review
 - b. DELO Preliminary PUD Referral
- IX. Commissioners' Comments
- X. Adjourn

City of Louisville

City Manager's Office *749 Main Street* *Louisville CO 80027*
303.335.4533 (phone) *303.335.4550 (fax)* *www.LouisvilleCO.gov*

Revitalization Commission

Meeting Minutes

Monday, April 8, 2013

Library Meeting Room

951 Spruce Street (Northwest Entrance)

7:30AM – 9:00AM

Call to Order – Chairperson Karl Becker called the meeting to order at 7:30 AM in the 1st Floor Meeting Room at the Louisville Library, 951 Spruce Street, Louisville, Colorado.

The following members were present:

Commissioners Present: Karl Becker
Michael Menaker
Alex Gorsevski
Bob Tofte
Carlos Hernandez
Rob Lathrop
Mayor Muckle

Staff Members Present: Sam Light
Aaron DeJong
Malcolm Fleming
Troy Russ
Michele Kelley

Others: Rick Brew
Mike Kranzdorf
Bill Arnold
Debbie Fahey
Dee Wisor
Justin McClure
Chris Pritchard

Approval of Agenda – The agenda was approved as submitted by all members.

Approval of Meeting Minutes – The March 11, 2013 minutes were approved with the following corrections in *italics*:

Reports of the Commission: Karl reported there is an updated binder *for the Library* with the Planning Commission Comp Plan. *The Planning Commission*

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meeting will be held on March 14th, then the plan will be considered by City Council at their 2 meetings in April.

Sherman & Howard Engagement Letter: Aaron reported on the engagement letter with Sherman & Howard for the LRC to consider. This engagement letter would commit Sherman & Howard to working on the private issue bond through closing. LRC would be the client of Sherman & Howard and Sherman & Howard would represent the interests of LRC. *There will be no cost if the private issue bonds do not move forward.* A motion was made and seconded and approved unanimously to allow the Chairperson to sign the engagement letter with Sherman & Howard.

Public Comments – None

Reports of the Commission

Discussion for the next meeting: Commissioners would like a map showing how to get from South Boulder Road to the Underpass by bicycle.

Carlos reported about the work going on with the Historic Preservation Commission. They are working on table top items will report back at the next meeting

Menaker asked about the status of the South Street Gateway sign. Staff will discuss with others about its status.

Business Matters of the Commission –

a. Coal Creek Station Review

A motion was made to draft a letter to the Planning Commission in support of this project to remove impediments to the redevelopment of the area, with the support of the LRC based on their review of the plans compatibility with the Urban Renewal Plan and the Highway 42 Revitalization Plan. The motion carried unanimously.

b. Safeway Final PUD referral comments

Carlos Hernandez recused himself from this discussion and left the room. He is part of the Company that did the traffic counts.

This redevelopment is for the former Safeway building and associated site into a mixed use community consisting of 2 retail buildings with a pedestrian plaza and 3 residential buildings throughout the remainder of the site. Parking is provided in a parking garage, concealed by residential units. Surface parking spaces are provided to accommodate the retail. The Alfalfa's store is expected to open on Earth Day, April 22, 2014.

c. Core Project Cost Reimbursement Agreement with DELO LLC

Aaron DeJong gave a recap of the cost reimbursement agreement with DELO LLC. There is a cap of \$3,000 for Aaron and Sam's time on this agreement. Comments included revisions to Recital B to include the word "public" to be added before "infrastructure". A motion was made by Carlos Hernandez and seconded by Karl Becker to authorize the Chair to sign the agreement as amended. The motion carried unanimously.

d. Core Project Term Sheet - Dee Wisor of Sherman & Howard and Aaron DeJong addressed the Core Project Term Sheet revisions. The closing will take place 3 days after the documents are finalized. The Bond issue is for \$3.5 Million, bonds will be repaid by 2033; 7% interest rate tax exempt, Bank Qualified, Non-AMT, LRC may redeem bonds at their option at any time, the base valuation will be from January, 2012.

Rick Brew of DELO, LLC requested additional revisions. An increase in the amount of the Bonds to \$4 Million and a five year no call period.

A motion was made by Carlos Hernandez and seconded by Michael Menaker to authorize the Chair to sign the term sheet with an amendment to include a minimum 5 year no call period. The motion carried unanimously.

The Board would like the communication to City Council and the public to be clear that the work to be performed is public infrastructure.

Karl Becker and Michael Menaker will work with staff to develop a presentation for the City Council study session meeting for April 23rd.

Commissioners' Comments – None

Meeting Adjourned at 9:21 AM

SUBJECT: BICYCLE FACILITIES MASTER PLAN MAP

DATE: MAY 13, 2013

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

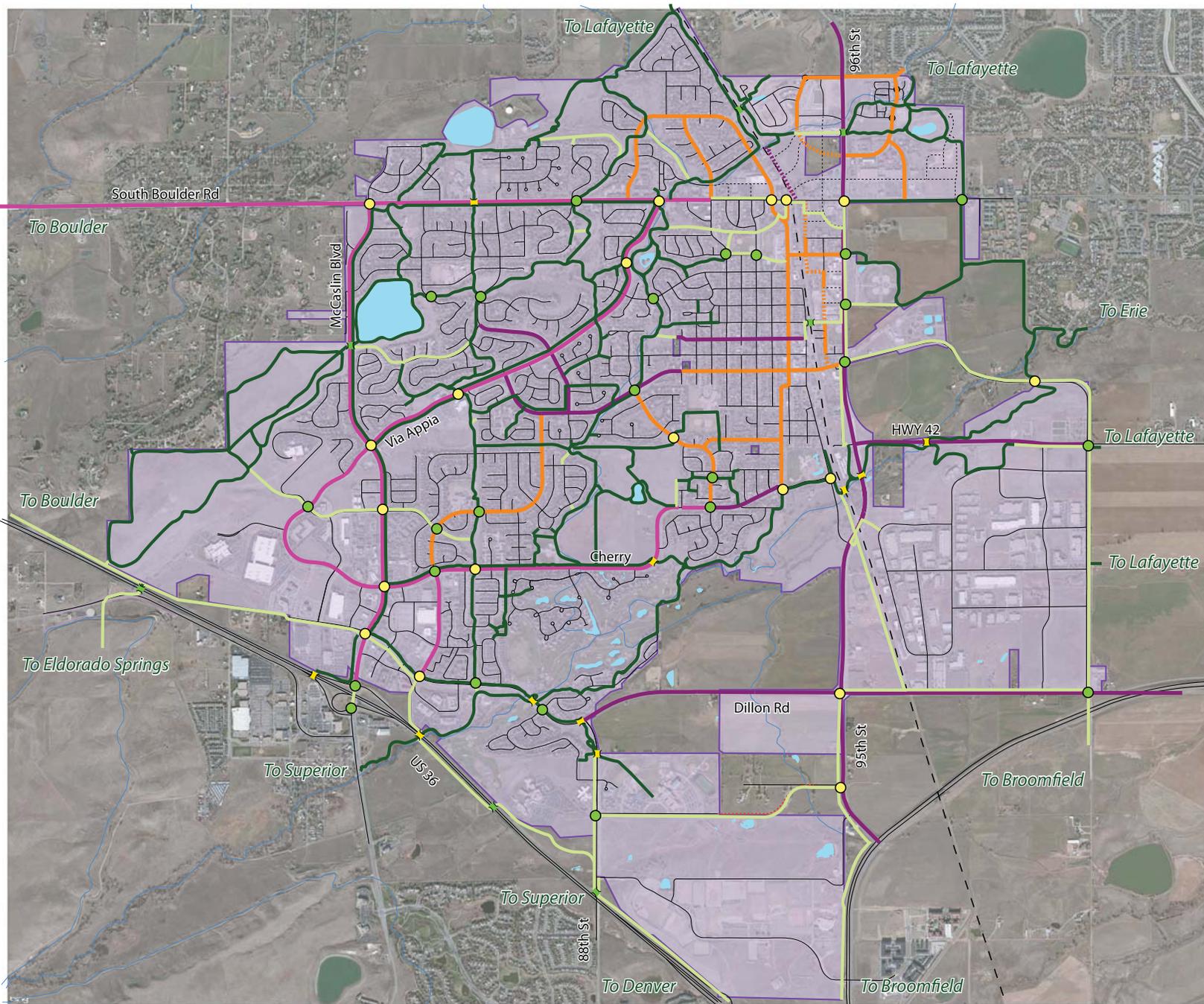
Commissioners requested a map of bicycles facilities in the community. Planning staff has prepared the attached map showing existing and recommended bicycle infrastructure throughout the community.

Bicycle facilities near the Coal Creek Station development include on street bicycle infrastructure on Front Street to Griffith, through the Core Area Project by way of Cannon Street, then arriving at South Street to utilize the Gateway Underpass. Bicyclists may also use routes along South Boulder Road and Griffith Street to access Main Street to get to downtown.

DISCUSSION:

This is for discussion purposes only.

Louisville's DRAFT Bicycle Facilities Master Plan



-  Existing Trails
 -  Recommended Trail Extensions
 -  Existing On-Street Bicycle Facility
 -  Recommended On-Street Bicycle Facility
 -  Recommended Traffic Calmed / Shared Street
 -  Existing Underpasses
 -  Recommended Underpasses
 -  Existing At-grade Crossing Improvement
 -  Recommended At-grade Crossing Improvement
- Note: Dashed lines represent new streets



STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION

Responsible Acceleration of Maintenance and Partnerships (RAMP)

PRE-APPLICATION FORM

(DUE: MAY 1, 2013)

CDOT has launched the RAMP program to expedite the implementation of projects and solicit partnerships in transportation solutions. The information provided in this pre-application will be used to determine initial basic eligibility under the program. This is the first step in a two-step application process. As part of this first step, applications will be evaluated to determine eligibility. Eligible projects will then go on to the second phase of the process which will require providing additional detailed information in another application.

Please fill out the form carefully and provide the requested information. Applications are submitted to Regional Transportation Director (RTD). If you need any clarification on the pre-application form, please contact CDOT RTD, Operations office, or HPTe office. Entities applying for RAMP funding should note that CDOT may request submission of additional clarifying information to process the application. For instruction and other supporting documents, see the RAMP website: <http://www.coloradodot.info/programs/RAMP>

APPLICANT INFORMATION

Applying Entity Name(s): City of Louisville	
Contact Name: Heather Balsler	
Contact Title: Deputy City Manager	Application Date: 5/1/2013
Email: heatherb@louisvilleco.gov	Phone: 303-335-4530

PROJECT INFORMATION

Project Name: SH 42 Gateway Project
Project Description: The project recommends maintaining SH 42 as a three lane highway, with context-sensitive intersection, sidewalk and trail, and roadway landscape improvements. Together, the preferred intersection alternatives address the multi-modal deficiencies currently present along the corridor and offer solutions for pedestrians, cyclists and transit riders. The preferred alternative is based on extensive technical analysis, stakeholder feedback and community input. Please see the attached 42 Gateway Alternative Analysis Report (RAMP application only refers to the design and implementation plan for SH 42 between Lock Street and Paschal Drive, pgs. 1-36). Also attached is a summary of preferred intersection/roadway improvements along with trail routes. The \$17.4 Million total for the project does not include funding for transit service but the preferred solution does anticipate a transit route alignment along SH 42 as part of the project. Such a route could be funded with RTD and/or FasTracks funding. Lastly, the \$17.4 Million total project cost is slightly different than the \$18 Million provided in the 42 Gateway Alternative Analysis Report. This is a result of identified funding for a signal at Short Street (FASTER Funds) and at Pascal Drive (City funds) at a cost estimate of \$300,000 each.

Key components (check all that apply):			
<input type="checkbox"/> Bridge	<input checked="" type="checkbox"/> Roadway		
<input checked="" type="checkbox"/> System preservation	<input checked="" type="checkbox"/> Traffic Management/Engineering		
<input checked="" type="checkbox"/> Safety	<input checked="" type="checkbox"/> Transit		
<input checked="" type="checkbox"/> Environmental	<input type="checkbox"/> Other, Specify:		
State Highway/Interstate: SH 42	Mileposts (Begin/End): 1.35-2.951		
Location Description: Area within 300 feet of SH 42 right of way between Lock Street and Paschal Drive in Louisville, CO.			
CDOT Engineering Region (1-5): Four	Counties: Boulder County		
TPR/ MPO: DRCOG			
STIP# (if applicable): SR46606.0312	STIP Year(s): 2013		
Project is part of a multi-phased (STIP) corridor program?		<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
IF YES, describe:			
Is this project included in a fiscally-constrained Regional Transportation Plan (RTP)?		<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
If YES, identify funding source(s) assigned in RTP:			
<p>Demonstrate the project's consistency with CDOT's Long-Range Statewide Transportation Plan and CDOT Policies:</p> <p>The identified improvements fall under all four of CDOT's primary investment categories; Safety, System Quality, Mobility, and Program Delivery. Safety improvements include closing off dangerous access points and reducing conflict points through an access management plan. The identified intersection improvements enable safer pedestrian crossings at key locations, and bicycle lanes provide facilities for cyclists where they currently do not exist. The proposed auxiliary lanes and intersection improvements will improve system quality and improve mobility for all travel modes in the corridor. Together, these improvements will make the corridor a complete street with enhanced mobility for all users which will enhance the successful delivery of CDOT's programs, projects and services.</p>			
Is the project on Interstate or State Highway?		<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
If NO, demonstrate how this project is integrated with the State Highway System. (CDOT reserves the right to determine eligibility)			
PROJECT READINESS/SCHEDULE			
Project construction (implementation) will be completed by December 2017		<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
NEPA class action	<input checked="" type="checkbox"/> CE	<input type="checkbox"/> EA	<input type="checkbox"/> EIS
			Date completed or...
			...Anticipated completion date
NEPA Milestone/document completed:	DEIS	<input type="checkbox"/> n/a	
	EIS	<input type="checkbox"/> n/a	
	ROD	<input type="checkbox"/> n/a	
	EA	<input type="checkbox"/> n/a	
	FONSI	<input type="checkbox"/> n/a	
	CE (part A+B of form 128)	<input type="checkbox"/> n/a	

	CE (part C+D+E of form 128) <input type="checkbox"/> <i>n/a</i>		
Construction Milestone (proposed):	Design and Scoping Review (DSR)		2015
	Right-of-Way		2016/Not anticipate ROW
	Advertise date		1/1/2016
	Start Construction		3/1/2016
	Finish Construction (Acceptance date)		9/1/2017
Does the project use alternative delivery methods (Design-Build, CMGC, etc.)? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
If YES, specify: Evaluating all integrated delivery systems.			
Please provide information on items that have a high risk of impacting schedule (i.e., RR, Utilities, NEPA, TPR/MPO plan amendment): Utilities and MPO amendment			
Other additional comments:			

TOTAL PROJECT COST (inclusive of all costs)	
Project cost by phase/task/component	Amount
Lock Street to Pine Street	\$4,026,000
Pine Street to S. Boulder Road	\$8,367,000
S. Boulder Road to Paschal Drive	\$5,004,000
(Numbers above include design and environmental)	
Total	\$17,397,000
Is the project scalable? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If YES, provide explanation: Could do project by phase as described above, Lock Street to Pine Street, Pine Street to S. Boulder Road, S. Boulder Road to Paschal. The current application assumes a CE in 2014, design in 2015, construction of Phase 1 and 2 in 2016 (as these make sense to complete concurrently) and Phase 3 in 2017.	
Any additional information related to cost: The City of Louisville is asking for \$11.4 million to leverage \$3 million from Boulder County and \$3 million from the City of Louisville for a total of \$17.4 million over the years 2014-2017. This assumes funding from CDOT over the years 2014-2017, with the City of Louisville contributing their funds in 2016 and 2017 and Boulder County providing funds in 2017.	

RAMP PROGRAM CATEGORY	
Please check all that apply and fill in corresponding section(s) below. <input type="checkbox"/> PROGRAM 1 – Operational Improvements <input type="checkbox"/> PROGRAM 2a – Public-Private Partnership <input checked="" type="checkbox"/> PROGRAM 2b – Public-Public Partnership <input type="checkbox"/> PROGRAM 2c – Public-Public Partnership (Devolution)	
PROGRAM 1: OPERATIONAL IMPROVEMENTS (Additional Eligibility Criteria)	
Does the project have other available funding? <input type="checkbox"/> YES <input type="checkbox"/> NO If YES identify funding source(s) and amount	
Other funding source(s)	Amount
Sub-total	
Amount requested from CDOT (RAMP)	
Total Project Cost	

Any additional information related to funding:

**PROGRAM 2a: PUBLIC-PRIVATE PARTNERSHIP
(Additional Eligibility Criteria)**

Demonstrate Local Support and Political consensus *(describe stakeholder involvement in planning; also list no more than five supporting stakeholders and submit letters of support with this application):*

Click here to enter text.

Demonstrate whether the project is to be funded with tolls and/or significant private partner contribution/investment: *(Examples include but not limited to projects in or integrated with the following corridors: US36, I-70 East, I-70 West, I-270, I-25 North of Denver, C-470, SH93/US6 Jefferson County, Powers Blvd in Colorado Springs)*

Click here to enter text.

General comments/Additional information:

Is this a potential HPTE project? YES NO

**Financing Information
(if applicable, list funding source(s) including amount requested from RAMP)**

Funding source(s)	Amount
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Total	Click here to enter text.

PROGRAM 2b: PUBLIC-PUBLIC PARTNERSHIP (Additional Eligibility Criteria)			
<p><u>Demonstrate Local Support and Political Consensus</u> (list all affected local governments, describe their involvement in the planning, and a letter of support should be submitted from the applicant):</p> <p>Funding for the PEL (close to completion, attached Alternative Analysis Report) for the 42 Gateway Project was provided by the City, CDOT FASTER funds, RTD and Boulder County. Agency coordination was a fundamental part of the advancement of this project. The consensus process for the PEL included the City of Louisville, CDOT, Boulder County, and RTD. A SWOT analysis was conducted that included the City, the Louisville Revitalization Commission (urban renewal authority), Boulder County, City of Lafayette, local property owners, CDOT and RTD. Three community meetings were held at strategic points throughout the project. The first meetings had over 60 citizens and business owners and introduced the public to the project. The second meeting generated conversation and insight from community leaders and citizens regarding the project purpose, project goals and existing conditions. The third community meeting was held to present and discuss the project alternatives. Please see the attached draft 42 Gateway Alternative Analysis Report. Although this project also looked at design of a pedestrian underpass that will connect downtown Louisville to the City’s Revitalization District, the RAMP application refers only to the design and implementation plan for SH 42 between Lock Street and Paschal Drive.</p>			
Funding Information (Target minimum of 20% non-federal)			
Total Project Cost	Amount requested from CDOT (RAMP)	Total local match amount	Other Funding Sources Amount
\$17.4 Million	\$11.4 Million	\$6.0 Million	
Source(s) of match fund			
	Partner 1	Partner 2	Partner 3
Agency	Boulder County	City of Louisville	
Contact Name	George Gerstle	Heather Balsler	
Phone	303-441-3900	303-335-4530	
Email	ggerstle@bouldercounty.org	heatherb@louisvilleco.gov	
Match Share (\$ and % of Total Cost)	17%	17%	
Match Source	<input checked="" type="checkbox"/> Cash (non-federal) <input type="checkbox"/> Design <input type="checkbox"/> R.O.W. <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Cash (non-federal) <input type="checkbox"/> Design <input type="checkbox"/> R.O.W. <input type="checkbox"/> Other	<input type="checkbox"/> Cash (non-federal) <input type="checkbox"/> Design <input type="checkbox"/> R.O.W. <input type="checkbox"/> Other
<p>If Other, specify: The City of Louisville is asking for \$11.4 million to leverage \$3 million from Boulder County and \$3 million from the City of Louisville for a total of \$17.4 million over the years 2014-2017. This equates to a 34% match by the City and County for a 66% contribution by the state towards the \$17.4 Million SH 42 Gateway project.</p>			

**PROGRAM 2c: PUBLIC-PUBLIC PARTNERSHIP (DEVOLUTION)
(Additional Eligibility Criteria)**

Demonstrate Local Support and Political Consensus (list all affected local governments, describe their involvement in the planning and submit letters of their support with this application):

Demonstrate willingness for Local Maintenance Responsibility:

For official use (whether application meets eligibility criteria)

RTD/Operations/HPTE
Approval

Name:

Title:

Signature:

Eligible YES NO

Comments (i.e., reasons for ineligibility, etc.):

OFMB Financial Review

Name:

Title:

Eligible YES NO

Comments (i.e., share of match, and other financing issues)

Chief Engineer Approval

Name:

Title:

Eligible YES NO

Comments (i.e., reasons for ineligibility, etc.):

**SUBJECT: TERM SHEET FOR HIGHWAY 42 CORE PROJECT AREA
IMPROVEMENTS**

DATE: APRIL 23, 2013

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

The Louisville Revitalization Commission (LRC) developed a Term Sheet to describe the general conditions under which the LRC would issue Tax Increment Financing (TIF) revenue bonds to fund public infrastructure in the Urban Renewal Area. The City Council must give approval to any financial obligation of the LRC as specified in the Cooperation Agreement between City Council and the Louisville Revitalization Commission dated December 6, 2006.

BACKGROUND:

The LRC is the City's Urban Renewal Authority and is charged with implementing the Highway 42 Revitalization Area Urban Renewal Plan approved in December 2006.

The LRC has the authority to collect TIF revenue from improvements made within the Urban Renewal Area that increases property taxes over a base valuation (generally the valuation of property as of January 1, 2007). The increased property taxes above the base valuation accrue to the LRC to invest in projects that remove blight and encourage reinvestment within the Urban Renewal Area.

The City and the LRC have previously committed to funding the pedestrian gateway at the intersection of South Street and the BNSF railroad. This investment creates the potential for the core area of the Highway 42 Revitalization area to be redeveloped by providing better connectivity for all citizens and visitors to interact with areas within the Urban Renewal Area. An interior street network east of the railroad tracks and west of Highway 42 is necessary for any meaningful redevelopment of the area as well as to help facilitate potential additional revenue for businesses and the city.

DISCUSSION:

DELO, LLC, a development entity controlled by RMCS, LLC, is planning to redevelop approximately 10 acres of property they own (previously the site of the Aggregate Industries concrete plant) between Griffith and South Streets along the BNSF railway. The attached concept map shows the general plan for the redevelopment project.

It should be noted DELO has submitted preliminary PUD documents to the Planning Department. The private bond issue being contemplated in this term sheet is for the public infrastructure, it is not an endorsement of the private development plans, which may benefit from the new public infrastructure.

DELO's property is identified in the Urban Renewal Plan as one that contributes to eight of the blighting factors identified within the Urban Renewal Area. Among other things, the area's faulty street layout has limited any development within this subarea of the Urban Renewal Area.

DELO, LLC applied to the LRC for financial assistance in January 2013 to construct public infrastructure that would remediate the faulty street layout for the area. Generally, the scope of the public infrastructure needed for DELO's development and other properties within the area are:

- Construction of new streets and sidewalks
 - Cannon from South to Griffith
 - Short from Cannon to Highway 42
- New water utilities within the following streets;
 - Cannon Street from Lafayette to South
 - South Street From BNSF to Highway 42
- New storm water utilities within the following corridors;
 - Lafayette from BNSF to Highway 42
 - Cannon from Griffith to Lafayette
- New sanitary sewer utilities within the following streets;
 - Lafayette from BNSF to Short
 - Short from Cannon to Highway 42
- Landscaping and public amenities along streets
- Street lighting, earthwork, traffic control, surveying, project management (10%), contingency (10%)

DELO has estimated the public infrastructure to cost \$3,500,000. The Public Works staff has reviewed initial cost estimates. The final scope of the public infrastructure will be identified through the DELO entitlement process. This new public infrastructure will not only be used by the DELO project, the new streets and utilities will remove access barriers for all adjacent property owners, particularly between Cannon Street and Highway 42.

The LRC doesn't have current funding available to finance the project. A TIF revenue bond must be issued to generate the capital necessary to construct the infrastructure. City staff worked with DELO to develop a term sheet consistent with the LRC's direction. That term sheet outlines the financial terms of such a bond. The draft term sheet is attached and the following is a description of the main provisions:

Dated Date

The closing date for the bonds will be 30 days after execution of a subdivision plat and final PUD approvals.

Issuing the bonds at this time provides for the greatest surety to potential investors and to the LRC that the infrastructure being paid by the bonds has a redevelopment project tied to its completion.

Par Amount

The amount of the bonds is not to exceed \$3,500,000. The actual amount of the bonds issued will be determined by a third-party financial consultant. The consultant will identify the revenue stream anticipated by the redevelopment within the Highway 42 Core Project Area.

LRC and staff conducted an analysis to determine a preliminary amount of bonds which can be serviced by anticipated improvements within the Highway 42 Core Project Area. The following assumptions were made in the analysis;

1. The DELO project would consist of;
 - a. Two apartment buildings with 130 apartments and 12,000 SF of commercial space,
 - b. 30 cluster homes, and
 - c. 59 rowhomes.
2. DELO estimates total private development costs of \$53,000,000.
3. Redevelopment of the Tebo property between South and Short would be into a 45,000 SF retail building valued at \$75 per building SF.
4. Other properties would not redevelop but increase in value by 30% due to having new streets serving them.
5. Interest rate of seven percent on the revenue stream.
6. Payment of other financial obligations of the LRC.

The increased property tax revenue generated from these projects is conservatively estimated to support a \$3,100,000 bond issuance. A copy of the analysis is attached.

Purpose

The bonds will pay for public improvements within the Highway 42 Core Project as generally identified above. The actual public infrastructure needed in the area will be determined during the planning application process for DELO's private development.

Final Maturity

The term of the bonds will end December 1, 2033, giving an 18-year term period. This date is the end of the TIF collection period for the Urban Renewal Area.

Interest Rate

The agreed interest rate is seven percent simple interest.

A seven percent interest rate is much higher than traditional municipal financing that has the full faith and credit of the issuing entity. This higher interest rate is necessary

because the bonds would have a much different risk profile as the bonds are only paid back through the increased tax revenue from the Highway 42 Core Project Area; the bond holders assume the risk of the subarea not generating the tax increment revenue necessary to finance the debt. The bond holders are not guaranteed a payment from any other funding source.

Tax Status

These bonds are eligible to be double tax-exempt, bank qualified, and not subject to the Alternative Minimum Tax.

Redemption

The bonds may be redeemed after the 5 year anniversary of the bond issuance. Should the subarea meet or exceed property tax estimations used to determine the bond amount, the bonds can be refinanced at a lower rate because the risk profile would change significantly and more traditional financing institutions would be interested in the bonds.

Rating

These bonds will have no rating. The risk profile is too great to receive a rating.

Pledged Revenue

The bonds will only be paid through the increased property tax revenue from the Highway 42 Core Project Area. The base value is the property values as of January 1, 2012 (for taxes collected in 2013) by the Boulder County Assessor's office.

The revenues are subordinate to the LRC's other financial obligations. Those obligations include;

- 1) The Intergovernmental Agreement with Boulder County to share back a portion of TIF revenues
- 2) The Intergovernmental Agreement with the City of Louisville for administrative services
- 3) The Intergovernmental Agreement with the City of Louisville for funding of the South Street Gateway Underpass

The revenues from the subarea remaining after these other obligations will be used as principal and interest payments on the bonds. Payments by the LRC to the bondholders are contingent on the availability of TIF revenues.

It is important to note the bonds are only being repaid from the TIF revenue of this subarea, the bond purchasers, not the City of Louisville or the LRC, carry the risk of TIF revenues not being sufficient to cover bond payments. No guarantee is being provided by either entity should revenues not meet expectations.

Denominations

The bonds may be sold in increments no less than \$500,000. These bonds have a risk profile that should only be undertaken by entities that have the ability to absorb such risk.

Additional Bonds

No additional bonds may be serviced from revenues generated within the Highway 42 Core Project Area without the consent of the bondholders.

Closing Conditions

Several conditions must be met before the bonds are issued for the public infrastructure. They are;

- The DELO project must have an approved subdivision plat and final PUD documents.
- All needed Right-of-Way must be dedicated to the City for the public infrastructure.
- An executed Core Area Infrastructure Agreement outlining the actual public infrastructure being constructed with the bond proceeds.
- Evidence that the developer for the DELO project has obtained the necessary financing to complete the approved project.
- Approved final construction plans for the public infrastructure
- A third-party financial construction report showing that the discharge of the debt due to non-payment will be remote. This is an IRS requirement for tax-exempt bond issuances.

The bond amount may not be sufficient to complete the needed public infrastructure that is identified through the development process. Any costs not covered by the LRC financial contribution or from the City through its service utility funds will be the obligation of the developer. It is important to ensure the public infrastructure project has the funds available to complete them.

Remaining Discussion Points

DELO, LLC has requested the cap on the bond issuance be increased to \$4,000,000. They have completed their own tax increment calculations and believe \$4,100,000 can be facilitated from tax increment generated in the Core Project area.

RECOMMENDATION:

Staff recommends approving

ATTACHMENT(S):

1. Term Sheet
2. Highway 42 Core Project Area map
3. Staff financial analysis
4. Concept map of the DELO redevelopment

SUBJECT: TERM SHEET FOR HIGHWAY 42 CORE PROJECT AREA IMPROVEMENTS

DATE: APRIL 23, 2013

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CITY COUNCIL COMMUNICATION

**LOUISVILLE REVITALIZATION COMMISSION
RESOLUTION NO. 13-02**

**A RESOLUTION APPROVING THE CORE PROJECT AREA
INFRASTRUCTURE PROJECT TERM SHEET**

WHEREAS, the Louisville Revitalization Commission (LRC) is charged with addressing issues contributing to blight within the Urban Renewal Area; and

WHEREAS, DELO, LLC has requested assistance from the LRC to improve the public infrastructure within the Highway 42 Core Project Area; and

WHEREAS, improving the public infrastructure within the area will encourage property owners within the area to redevelop their properties; and

WHEREAS, a Term Sheet, attached hereto, has been developed to outline certain financial terms regarding a future bond issuance to assist in financing new public infrastructure ; and

WHEREAS, the City of Louisville is willing to construct the underpass, and the Louisville Revitalization Commission is willing to assist in its funding;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LOUISVILLE REVITALIZATION COMMISSION:

Section 1. The Core area Infrastructure Project Term Sheet is hereby approved.

Section 2. The Chair of the Louisville Revitalization Commission is hereby approved to sign the Core Area Infrastructure Project Term Sheet once approved by the Louisville City Council in accordance with the Intergovernmental Agreement between the LRC and City of Louisville dated December 5, 2006.

ADOPTED this 13th day of May, 2013.

ATTEST:

Chair

Secretary

Louisville Revitalization Commission
Core Area Infrastructure Project
Term Sheet
May 13, 2013

- Dated Date:** Closing date (30 days after final subdivision plat and final PUD approvals.)
- Par Amount:** Not to Exceed \$3,500,000. Final amount will be determined by LRC with reference to the financial consultant report and approved plans.
- Final Maturity:** December 1, 2033. Any amounts remaining unpaid will be discharged.
- Interest Rate:** 7%. Simple interest calculated on a 30/360 basis.
- Interest Payment Dates:** December 1 of each year, commencing the first December 1, after closing.
- Tax Status:** Tax-exempt, Bank Qualified, Non-AMT
- Redemption:** LRC may redeem bonds at its option at any time at par. The pledged revenues after paying accrued but unpaid interest shall be used on each December 1 to prepay principal.
- Rating:** None
- Pledged Revenue:** The property tax increment revenues from the Highway 42 Core Project Area (as described in the map attached Exhibit A). The base value for determining the increment will be the 2012 assessed value as determined by the Boulder County assessor. The pledge is subordinate to obligations to the City pursuant to two Cooperation Agreements and to the County pursuant to an IGA.
- Denominations:** \$500,000 Denominations or integral multiples of \$1,000 above \$500,000.
- Additional Bonds:** No debt payable from the Pledged Revenue without consent of bondholders.
- Closing Conditions:** Approval of the final subdivision plat and final PUD for the DELO project.
- Dedication of ROW for infrastructure.
- Execution of Core Area Infrastructure Agreement, in form and substance satisfactory to LRC and the City.
- Evidence that the developer has obtained private financing.
- Approval of final construction plans for infrastructure. (Note: Developer shall be responsible for infrastructure costs in excess of amounts available from financing.)

A report of a financial consultant, selected by LRC, showing that the discharge of the debt due to non-payment will be remote.

Such other matters as are required by bond counsel to deliver an opinion that the bonds are validly issued and the interest is tax-exempt.

Dated _____, 2013

LOUISVILLE REVITALIZATION COMMISSION

By: _____
Karl Becker
Chair



EXHIBIT A

Highway 42 Core Project Area



GRIFFITH STREET
(EX. 60' ROW)

STATE HWY 42

STATE HWY 42

SOUTH STREET
(EX. 60' ROW)

LOT 101

LOT 102

LOUISVILLE TRADE CENTER

LOT 2 BLOCK A

LOT 3 BLOCK A

INDUSTRIAL AREA SUBDIVISION

LOT 4 BLOCK A

LOT 5 BLOCK A

LOT 6 BLOCK A

LOT 7 BLOCK A

COAL CREEK

TRACT A

BLOCK 2

TRACT B

LOUISVILLE LANE (PRIVATE)

BLOCK 3

BLOCK 4

MARIA'S MEWS TRACT C

DEVELOPMENT

BLOCK 5 AREA 1

BLOCK 6

TRACT D

JOHNSON LANE (PRIVATE)

BLOCK 7

BLOCK 8

TRACT J

LEONARD STREET (54' PRIVATE ROAD)

BLOCK 9

TRACT K

WALDNER GARDENS

TRACT L

TRACT M

TRACT N

TRACT O

COMCAST CARLEVISION OF COLORADO II, LLC

TRACT P

TRACT Q

TRACT R

TRACT S

TRACT T

TRACT U

TRACT V

TRACT W

TRACT X

TRACT Y

TRACT Z

TRACT G

TRACT H

TRACT I

TRACT J

TRACT K

TRACT L

TRACT M

TRACT N

TRACT O

TRACT P

TRACT Q

TRACT R

TRACT S

TRACT T

TRACT U

TRACT V

TRACT W

TRACT X

TRACT Y

TRACT Z

DEVELOPMENT AREA 1

DEVELOPMENT AREA 2

DEVELOPMENT AREA 3

DEVELOPMENT AREA 4

DEVELOPMENT AREA 5

DEVELOPMENT AREA 6

DEVELOPMENT AREA 7

DEVELOPMENT AREA 8

DEVELOPMENT AREA 9

DEVELOPMENT AREA 10

DEVELOPMENT AREA 11

DEVELOPMENT AREA 12

DEVELOPMENT AREA 13

DEVELOPMENT AREA 14

DEVELOPMENT AREA 15

DEVELOPMENT AREA 16

DEVELOPMENT AREA 17

DEVELOPMENT AREA 18

DEVELOPMENT AREA 19

DEVELOPMENT AREA 20

DEVELOPMENT AREA 21

DEVELOPMENT AREA 22

DEVELOPMENT AREA 23

DEVELOPMENT AREA 24

DEVELOPMENT AREA 25

DEVELOPMENT AREA 26

DEVELOPMENT AREA 27

DEVELOPMENT AREA 28

DEVELOPMENT AREA 29

DEVELOPMENT AREA 30

DELO STREET (EX. 50' ROW)

CANNON STREET (60' ROW)

STEPHEN D. TEBO PROPERTY

CANNON STREET (55' ROW)

BREW STREET (50' PRIVATE ROAD)

DELO STREET (EX. 50' ROW)

CANNON STREET (60' ROW)

BURLINGTON NORTHERN RAILROAD

FRONT STREET

1

2

3

6

6

7

7

CROSS SECTION NUMBER, SEE TYPICAL SECTION ON THIS SHEET