



TOWN BOARD WORK SESSION

October 27, 2014 - 6:00 p.m.

Windsor Town Hall – 1st Floor Conference Room

301 Walnut Street, Windsor, CO 80550

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.

GOAL of this Work Session is to have the Town Board receive information on topics of Town business from the Town Manager, Town Attorney and Town staff in order to exchange ideas and opinions regarding these topics.

Members of the public in attendance who have a question related to an agenda item are requested to allow the Town Board to discuss the topic and then be recognized by the Mayor prior to asking their question.

AGENDA

1. Discussion of draft 2015 DDA budget – DDA Board
2. Great Western Metropolitan District request for addition to future inclusion area
3. Future meetings agenda



MEMORANDUM

Date: October 27, 2014
To: Mayor and Town Board
Via: Kelly Arnold, Town Manager
From: Patti Garcia, Town Clerk/Assistant to Town Manager
Re: DDA Budget Presentation
Item #: Work Session 1

Background / Discussion:

The Windsor Downtown Development Authority (DDA) Board of Directors would like to present the enclosed 2015 budget for review by the Windsor Town Board. Colorado State Statute requires that each year the DDA present their budget to the Town Board for review and approval. The DDA Board of Directors will be considering their 2015 budget at their November 19, 2014 regular meeting contingent upon Town Board consideration. Prior to approval of their budget, the DDA Board will be considering a mill levy increase to three mills which will be assessed on the DDA members starting in 2015. In April 2012, the DDA voters approved a mill up to five mills to be assessed.

In 2014, the DDA accomplished several goals including the implementation of the façade program, completion of the Mill Feasibility Study, revision of the Downtown Corridor Plan for bike rack placement, and a new website. They have sponsored numerous downtown events including the Downtown Farmer's Market, Salsa on 5th Street, Windsor Wonderland and BreastFriends Footsteps to Hope events. Additionally, they have partnered with the WindsorNow for a "false front page" which has advertised DDA businesses throughout the year.

The DDA Board will be creating a 2015 Work Plan based on objectives and projects that will be continued from 2014 and new ones for 2015. A possible shift for the DDA would be the hiring of a contract Executive Director who would be responsible for the day to day DDA operations and administration. Large projects for 2015 include the first use of the façade program, review of alternative parking regulations for the DDA area and marketing of the DDA owned lots north of Main Street between 4th and 5th Streets. To ensure there are adequate funds for the façade program, the line item has been established with funding of \$160,000 which includes \$60,000 that was committed to a DDA business for a project to be completed in 2015. The DDA Board has also chosen to place \$20,000 in Special Equipment to continue their work in installation of additional bike racks, new planters for Main Street and other beautification items in the DDA area. These items all make visual impacts and improve the look of downtown Windsor.

Financial Impact:

The DDA is expecting an approximate \$340,000 balance at the end of 2014. The DDA Board is proposing to carry over that amount to their 2015 budget. They will use these additional funds for the 2015 projects as specified in the to-be-completed 2015 Work Plan.

The DDA is projecting \$14,326 in revenue from their property tax increment and \$11,566 in revenue from the property tax from the 3.0 mill levy that will be assessed on the DDA members.

Lastly, their budget reflects the \$270,000 transfer from the Town of Windsor General Fund as agreed to in the enclosed Town of Windsor and DDA Intergovernmental Agreement.

Relationship to Strategic Plan

This item is consistent with Goal 3.D. of the Town of Windsor Strategic Plan: Support the Downtown Development Authority (DDA).

Attachments:

- 2015 Windsor DDA Budget
- 2014 Work Plan
- Town of Windsor/DDA Intergovernmental Agreement

Downtown Development Authority Fund Detail Budget

ACCT NO	ACCOUNT NAME	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	ACTUAL - PROJECTED		2014 PROJ.	2015 BUDGET	NOTES
						Thru JUN 2014	JUL-DEC 2014			
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) REVENUE - 19										
DOWNTOWN DEVELOPMENT AUTHORITY (DDA)										
4001	<i>Beginning Fund Balance</i>	0	0	50,322	157,210			148,954	343,151	
4311	Property Tax From Mill Levy	0	0	4,175	7,712	6,372	1,340	7,712	11,566	3 Mills
4312	Auto Tax	0	0	306	0	303	303	606	0	
4324	Incremental Property Tax	0	0	16,496	16,052	12,477	3,575	16,052	14,326	
4364	Interest Income	0	0	32	5	2	2	5	5	
4370	Donations	0	0	2,000	0	0	0	0	0	
4376	Transfer from TOW General Fund	0	250,000	250,000	265,000	132,293	132,293	264,586	270,000	TOW Gen Fund transfer through 2016
DOWNTOWN DEVELOPMENT AUTHORITY REVENUES TOTAL		0	250,000	273,008	288,769	151,447	137,513	288,961	295,897	
AVAILABLE RESOURCES		0	250,000	323,330	445,979			437,914	639,048	
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) EXPENDITURES - 19										
DOWNTOWN DEVELOPMENT AUTHORITY - 486										
5112	Wages/Part Time	0	0	0	0	475	0	475	0	
5130	FICAMED	0	0	0	0	7	0	7	0	
5131	FICA	0	0	0	0	29	0	29	0	
5134	Unemployment Insurance	0	0	0	0	1	0	1	0	
5135	Worker's Compensation Insurance	0	0	0	0	0	0	0	0	
	<i>Personal Services Total</i>	0	0	0	0	513	0	513	0	
6210	Office Supplies	0	202	45	200	0	0	0	500	
6213	Public Relations/Advertising	0	3,240	19,788	25,000	2,488	14,200	16,688	25,000	Banners, DDA signage, event support/promotion
6214	Board Development	0	851	0	3,200	0	1,600	1,600	4,000	2015 DCI Conference - Durango
6217	Dues, Fees, Subscriptions	0	1,184	2,388	770	120	630	750	770	Chamber \$195, DCI \$275, Special Districts Assn \$282.59
6218	Small Equipment	0	0	2,848	0	0	0	0	0	
6219	Special Equipment	0	0	0	0	860	0	860	20,000	bike racks, planters, beautification items
6242	Street Repair/Maintenance	0	0	0	0	1,219	2,587	3,806	1,500	DDA lot maintenance
6245	Mileage	0	14	0	100	0	0	0	150	Executive Director mileage
6246	Liability Insurance	0	0	0	1,297	1,724	330	2,054	2,053	General liability - \$2M
6251	Audit Services	0	0	0	0	0	0	0	0	
6252	Legal Services	0	17,574	4,447	10,000	3,746	3,000	6,746	10,000	Liley Rogers & Martell
6253	Contract Service	0	14,262	7,829	20,000	1,440	19,200	20,640	46,500	Executive Director \$45,000, VistaWorks \$1,200
6256	Publishing/Recording	0	7	13	0	0	0	0	0	legal notices, etc.
6263	Postage	0	289	302	350	159	75	234	350	
6264	Printing/Binding	0	0	73	500	0	150	150	500	
6267	Study/Review/Analysis/Consulting	0	34,848	0	20,000	7,422	12,000	19,422	20,000	Retreat facilitator, C+B-Back lot study completion
6268	County Treasurer Fees	0	0	310	300	283	283	566	0	
6269	Miscellaneous	0	0	0	700	529	0	529	0	
6270	Façade Program	0	0	0	100,000	0	0	0	160,000	\$60,000 to P&L Properties in 2015
6290	Elections	0	762	0	0	0	0	0	0	
	<i>Operating & Maintenance Total</i>	0	73,234	38,042	182,417	19,989	54,054	74,044	291,323	
7302	Admin Support Charge by Town of Windsor	0	1,470	20,000	20,000	10,000	10,000	20,000	5,000	monthly financial reports, consultation w/TOW
	<i>Debt Service Total</i>	0	1,470	20,000	20,000	10,000	10,000	20,000	5,000	
8410	Land/Easements	0	93,349	116,335	0	0	0	0	0	
8412	Site Improvements	0	31,625	0	20,000	207	0	207	0	
8420	Building & Structures	0	0	0	0	0	0	0	0	
	<i>Capital Outlay Total</i>	0	124,974	116,335	20,000	207	0	207	0	
DOWNTOWN DEVELOPMENT AUTHORITY EXPENDITURES TOTAL		0	199,678	174,376	222,417	30,709	64,054	94,763	296,323	
BEGINNING DDA BALANCE		0	0	50,322	157,210			148,954	343,151	
REVENUE		0	250,000	273,008	288,769			288,961	295,897	
Available Resources		0	250,000	323,330	445,979			437,914	639,048	

Downtown Development Authority Fund Detail Budget

ACCT NO	ACCOUNT NAME	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	ACTUAL - PROJECTED		2014 PROJ.	2015 BUDGET	NOTES
						Thru JUN 2014	JUL-DEC 2014			
EXPENDITURES										
		0	199,678	174,376	222,417			94,763	296,323	
ENDING DDA BALANCE										
		0	50,322	148,954	223,562			343,151	342,725	

DDA Work Plan 2014 – highlighted items are complete as of 10/20/2014

Beautification Committee

- A beautification program in the following areas: major entrances, Windsor Lake and Boardwalk Park, walkways and public spaces
 - Clean up the existing gas meters by painting them or covering them up
 - Façade renovation program
 - Investigate Public Art program opportunities
 - Additional new planters in the DDA area/corners
 - Additional bike racks near businesses
- Implement a DDA referral program
 - Work with the Town of Windsor Planning Department to establish project review criteria and implement the program
- Develop an incentive program for new development and redevelopment projects

Marketing Committee

- Continue to communicate with all members of the DDA and the community
 - New website
 - Press releases regarding downtown events and happenings
 - Send e-newsletters with events scheduled, current & proposed projects, meeting times, etc. to the DDA members on a monthly basis
 - Provide promotional information acknowledging consumer opportunities in the DDA area – ie rack cards
- Establish social media presence
 - Provide current information regarding meetings, project status, event schedules & business opportunities
 - Establish social media accounts and update regularly; establish a baseline of followers and the monitor the success of those accounts
- To promote a diversity of activities in the district and to encourage the creation and continuation of public events held in the district
 - Partner with the Chamber of Commerce/Town of Windsor on events & continuation of signature event “Salsa on 5th”
 - Provide opportunities for businesses to participate in special events
- To promote the downtown area through signage
 - Provide DDA information on billboards in and around northern Colorado

Parking Committee

- Implement pedestrian safety measures in the DDA area
 - Work with Engineering & Parks department on options such as bike dismount zones, signage, and crosswalk designations
 - Identify locations for the installation of bike racks
- Support the Town’s effort to revise the parking regulations downtown
 - Work with the Town of Windsor Planning Department, Planning Commission and DDA to review documents and begin revisions as necessary
- Encourage downtown employees to park in non-prime spaces
- Work with the Town of Windsor/Police Department on speed limit enforcement along Main Street
- Work with Town to identify appropriate on- and off-street parking locations for Town approved events at Boardwalk Park
- Work with Town on a unified Town-wide wayfinding system

All DDA

- Continue moving forward on the development of DDA-owned lots north of Main Street between 4th & 5th Streets

<ul style="list-style-type: none">• Meet and understand CDOT regulations for HWY 392 and HWY 257
<ul style="list-style-type: none">• Meet with GWR
<ul style="list-style-type: none">• Explore Main Street Candidate program as a way to coordinate DDA activities<ul style="list-style-type: none">○ Attend quarterly Downtown Institutes, review Main Street benefits and requirements, request Main Street training and technical assistance from DOLA staff
<ul style="list-style-type: none">• Conduct feasibility study on Historic Mill

**INTERGOVERNMENTAL AGREEMENT BETWEEN TOWN OF
WINDSOR, COLORADO AND WINDSOR DOWNTOWN DEVELOPMENT
AUTHORITY REGARDING TOWN SUPPORT OF THE
WINDSOR DOWNTOWN DEVELOPMENT AUTHORITY**

This INTERGOVERNMENTAL AGREEMENT ("IGA") is made and executed this 28th day of November, 2011, by and between the TOWN OF WINDSOR, a Colorado home rule municipal corporation (the "Town"), and WINDSOR DOWNTOWN DEVELOPMENT AUTHORITY, a body corporate and politic (the "DDA").

WITNESSETH:

WHEREAS, by Ordinance No. 2011-1401, the Town created and established the DDA with all the purposes and powers now or hereafter authorized by Part 8 of Colorado Revised Statutes Title 31, Article 25 (the "DDA Statute"), and all additional and supplemental powers necessary or convenient to carry out and effectuate the purposes and provisions of said Part 8 within the boundaries of the DDA as such boundaries presently exist and may in the future be expanded ("DDA Boundaries"); and

WHEREAS, the DDA Statute has declared that the organization of downtown development authorities will serve a public use; promote the health, safety, prosperity, security, and general welfare of the inhabitants thereof and of the people of this state; will halt or prevent deterioration of property values or structures within central business districts; halt or prevent the growth of blighted areas within such districts, and assist municipalities in the development and redevelopment of downtowns and in the overall planning to restore or provide for the continuance of the health thereof; and

WHEREAS, pursuant to C.R.S. §31-25-808, the DDA is empowered to cooperate with the Town, to enter into contracts with the Town and to make or receive from the Town grants, contributions and loans; and

WHEREAS, the citizens of Windsor have consistently urged that the Town make revitalization of downtown a priority; and

WHEREAS, the Town and the DDA recognize the overall economic benefit to the Town of maintaining and revitalizing its downtown, which area serves as the Town's center for commercial, financial, governmental, social, recreational, historic and cultural activities; and

WHEREAS, the Town and the DDA desire to promote redevelopment opportunities in the downtown that will generate economic development that results in increased employment, and increased tax revenue while preserving and enhancing the unique character of downtown as the heart of Windsor; and

WHEREAS, on February 22, 2010, the Town Board adopted Resolution No. 2010-13, within which the Town Board approved and adopted the Town of Windsor Downtown Design Guidelines and Financing Plan ("Downtown Plan"); and

WHEREAS, the Town and DDA acknowledge that Resolution No. 2010-13 directs Town staff and administration to work cooperatively with downtown business and property owners to implement the objectives of the Downtown Plan; and

WHEREAS, it is important that the Town and the DDA work closely together, especially in the initial years, to develop and approve appropriate planning and funding tools to maximize quality redevelopment opportunities in the downtown; and

WHEREAS, the Town and the DDA have agreed that the qualified electors of the DDA will be asked at the April, 2012, municipal election to authorize certain financial transactions related to DDA tax increment monies and approving the future levy of an ad valorem tax to fund operations of the DDA; and

WHEREAS, it is anticipated that, until sufficient property tax increment is being generated and property tax monies are available for operations, the DDA will need funding and administrative support from the Town for its operations and for capital and program expenditures; and

WHEREAS, the Town and the DDA desire to enter into this IGA to memorialize their respective commitments in connection with downtown planning objectives, the 2010 Election and the interim funding of the DDA;

WHEREAS, the DDA Board, on November 16, 2011, determined that this IGA is consistent with and in furtherance of the goals and purposes of the DDA and thereupon approved the terms of this IGA and authorized its Chairperson to execute it;

WHEREAS, the Town Board, on Nov 28, 2011, determined that this IGA is consistent with and in furtherance of the goals and purposes of the Town and the DDA and thereupon approved the terms of this IGA and authorized the Town Manager to execute it; and

NOW, THEREFORE, in consideration of the mutual promises and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

ARTICLE ONE

TOWN COMMITMENTS

1.1 2012 Election.

- a. The Town's next biennial municipal election will take place on April 3, 2012 ("Municipal Election"). The DDA will through the Town Manager present to the Town Board a resolution ("DDA Election Resolution") for Town Board adoption which will refer to the qualified electors of the DDA the questions related to DDA financing, including whether the DDA should impose an *ad valorem* tax of up to five (5) mills upon all real property within the DDA Boundaries to be effective in January, 2012 ("Mill Levy Measure"). The proposed DDA Election Resolution will be referred by the DDA to the Town Manager sufficiently in advance of the applicable election deadline, such that the DDA Election Resolution may undergo revision and refinement, if necessary, before presentation for official action by the Town Board. The Town Board shall vote affirmatively in favor of the DDA Election Resolution, in order that the Mill Levy Measure is placed upon the ballot for consideration by the DDA electors during the Municipal Election.
- b. The Town will conduct the Municipal Election as required by law. The Town Clerk shall be designated the Election Official for the Municipal Election. The DDA and the Town will work cooperatively to produce a current and complete roster of all qualified electors within the DDA Boundaries in order that the Municipal Election may proceed as a mail election. The form and content of this roster shall be subject to final approval by the Town Clerk.

1.2 Development and Redevelopment Regulations.

- a. The Town and the DDA will work together to evaluate existing Town regulations applicable to land development and redevelopment ("Existing Land Use Regulations") to ascertain if such regulations promote the objectives of the Downtown Plan for responsible development and redevelopment within the DDA

Boundaries. To the extent Existing Land Use Regulations are deemed to be inconsistent with the objectives of the Downtown Plan, Town staff will work cooperatively with the DDA to arrive at revisions more consistent with the Downtown Plan, which revisions will be presented for review and comment to the Town's Planning Commission and to the Town Board for adoption or approval, as the case may be. The parties recognize that the adoption of Town policy is exclusively within the discretion and authority of the Town Board.

- b. In addition to an evaluation of Existing Land Use Regulations, the Town will work cooperatively with the DDA to evaluate new or additional regulations intended to promote responsible development and redevelopment within downtown Windsor ("New Land Use Regulations"). Town staff will prepare any proposed New Land Use Regulations, but will consult with the DDA before referring any such regulations for Town Board consideration, adoption or approval. The parties recognize that the adoption of Town policy is exclusively within the discretion and authority of the Town Board.

1.3 Interim Funding with Town Sales Tax Revenue.

- a. **Initial Funding Duration.** For fiscal years 2012 through 2016 and subject to the terms set forth herein, the Town will provide funding to the DDA from sales tax revenue generated within the DDA Boundaries, as set forth below in Sections 1.3.b. through 1.3.g. inclusive.
- b. **Sales Tax Base.** The Town will collect and set aside in a special fund for DDA budget revenue purposes a sum equal to all sales tax revenue collected by the Town within the original DDA boundaries for fiscal year 2010, less that percentage which is required by law for retirement of the bonded indebtedness associated with construction of the Community Recreation Center. This sum will be considered the "Sales Tax Base" for purposes of this IGA. Contingent upon Town approval of the DDA budget for each of the fiscal years identified in Section 1.3.a. above, the Sales Tax Base may be used by the DDA for its budgeted operations, programming, capital projects and the maintenance of appropriate reserves in accordance with the terms of this IGA. In the event the DDA original boundaries for fiscal year 2010 are expanded, the Town, in consultation with the DDA, shall determine whether such additional property should be added to the Sales Tax Base.
- c. **Sales Tax Increment.** In addition to the Sales Tax Base, the Town shall collect and set aside in a special fund for DDA budget revenue purposes a sum equal to

the portion of sales tax revenue collected within the DDA Boundaries in excess of the Sales Tax Base revenue, which excess will be considered the "Sales Tax Increment" for purposes of this Agreement. Contingent upon Town approval of the DDA budget for each fiscal year, the Sales Tax Increment may be used by the DDA for its budgeted operations, programming, capital projects and the maintenance of appropriate reserves in accordance with this IGA. Notwithstanding the funding duration timeframe set forth in Section 1.3.a, above, it is the intent of the Town Board that the Sales Tax Increment shall be appropriated by the Town Board to the DDA through the thirty-year tax increment term permitted under State law for the purpose of creating an incentive to downtown businesses to maximize retail opportunities and to assist the DDA in meeting the goals of the Downtown Strategic Plan.

- d. **Unexpended Town Funds.** To the extent that DDA budgeted funds from the Sales Tax Base or the Sales Tax Increment, or any combination thereof, is not expended as provided in this IGA in a given DDA fiscal year, the Town agrees that any such unexpended funds shall be transferred at the conclusion of each fiscal year to a DDA Reserve Fund, which Reserve Fund monies may be used by the DDA for one or more capital projects, subject to the approval of the Town Board of any DDA budget which includes expenditure of such monies. Any unexpended revenues from the Sales Tax Base as of December 31, 2016, shall be subject to the provisions of Section 1.3.g. below.
- e. **Interest Earned on Town Funds.** The DDA shall be entitled to retain any interest earned on funds provided by the Town, including interest earned on unexpended Town funds. Interest on Town funds shall be separately accounted for as revenue within the DDA budget for each fiscal year during the initial funding duration described in this Section.
- f. **Credit for Town Administrative Support.** Given the substantial value of the administrative support provided by the Town to the DDA, the Town shall be entitled to offset against the revenue sources identified in Sections 1.3.b. and 1.3.c. the actual cost of direct administrative support provided to the DDA for those Town employees listed on Exhibit "A," attached hereto and incorporated herein by this reference, not to exceed a total of Thirty-five Thousand Dollars (\$35,000) in 2012. The Town and the DDA will meet during the last quarter of 2012 to review actual costs to date of such administrative support and projected administrative support needs for 2013.

- g. **Review and Evaluation in 2016.** During the first half of Fiscal Year 2016, the parties will review and evaluate downtown Windsor needs and the DDA's progress in meeting the objectives of the Downtown Plan, the DDA Downtown Strategic Plan and any other objectives established by mutual agreement during the preceding fiscal years. The purpose of such review and evaluation shall be to determine whether further Town sales tax funding will continue and, if so, at what levels. The parties anticipate that the completion of such review and evaluation will result in an amendment of the within Agreement with respect to ongoing sales tax funding by the Town.
- h. **Town Funding Contingency.** Notwithstanding any of the foregoing, the parties agree that, in the event the Mill Levy Measure is not approved by the DDA electors, the Town may elect, in its sole discretion, to renegotiate the financial and administrative support provided to the DDA.

1.4 Downtown Incentive Program.

The Town hereby states its intention to develop a Town-wide retail development incentive program, within which retail development incentives for the downtown area will be included. The Town will work cooperatively with the DDA with respect to any downtown development incentives prior to Town Board action on any such incentives. Such downtown development incentives may include deferral, reimbursement or waiver of all or any portion of fees customarily included in the cost of building permits or other development approvals. The parties acknowledge that the adoption of Town policy is exclusively within the discretion and authority of the Town Board.

1.5 Continuance of Routine Maintenance of Downtown Improvements.

The Town will continue to be responsible for routine maintenance of Town improvements within the DDA Boundaries. However, in the event that any capital improvements funded by the DDA requires extra maintenance due to the enhanced nature of such improvements, in conjunction with annual Town Board approval of DDA budgets, the Town and DDA will reach specific agreements with respect to the allocation of maintenance responsibility for any such DDA capital improvements reflected in each such budget.

ARTICLE TWO

DDA COMMITMENTS

- 2.1 **Municipal Election.** The DDA recognizes that it needs to generate revenue independently of Town resources. Accordingly, the DDA agrees to support the Municipal Election as follows:
- a. **Preparation of Ballot Materials.** The DDA shall be responsible for the timely and complete preparation of the Municipal Election ballot title, ballot question and any other ballot-related requirements of the Town Clerk pursuant to applicable law.
 - b. **TABOR Materials.** The DDA shall be responsible for the timely and complete preparation of all notices, informational material and documentation required for compliance with Article X, Section 20 of the Colorado Constitution and related statutory requirements ("TABOR Materials"). DDA will coordinate with the Town Clerk with respect to the distribution of TABOR materials as required by law.
 - c. **DDA Payment of Election Costs.** The DDA shall reimburse the Town for all out-of-pocket election costs attributable to the Municipal Election, payment for which shall be rendered to the Town Clerk within sixty (60) days of the Town Clerk's final certification of the Municipal Election ballot results.
 - d. **Voter Education.** The DDA will support the Municipal Election by community outreach, downtown stakeholder communication and public education. The DDA will be primarily responsible for assuring public awareness and the significance of the Municipal Election.
- 2.2 **Financial and Administrative Self-Sufficiency.** As part of its effort to become a self-sustaining entity supported by financial and administrative resources distinct from Town resources, the DDA agrees to undertake the following efforts:
- a. **Grant Funding.** The DDA will actively seek available grant funding from both public and private sources to further support its revenue requirements.
 - b. **Capital Projects Focus.** The DDA acknowledges that one of its primary purposes is to increase property values within its boundaries, thus generating *ad valorem* property tax revenue statutorily available to the DDA. Therefore, the

DDA will concentrate on the development of a formal Capital Improvements Plan emphasizing projects which are likely to result in increased property values within the DDA boundaries, while recognizing that a variety of DDA-funded activities and programs will also be necessary to provide needed economic vitality.

2.3 Development and Approval of Downtown Strategic Plan.

The DDA has undergone a comprehensive strategic planning process, the result of which will be a DDA Downtown Strategic Plan adopted by the DDA Board of Directors. The Downtown Strategic Plan will guide the DDA in its approach to its objectives, such that the dedication of funds provided to the DDA by the Town is consistent with a strategy developed in advance.

2.4 Preparation of Annual Budget, 2012 Work Plan.

- a. **Annual Budget.** Attached is the Preliminary 2012 DDA Budget, the format of which shall serve as a model for all future DDA budgets. Commencing in fiscal year 2012, the DDA will provide to the Town the DDA's annual budget by no later than November 1 of each year. The Town Board will complete its review of the DDA budget and issue its budget approval by December 31 of each year.
- b. **Annual Work Plan.** Attached is a copy of the DDA's Preliminary 2012 Work Plan, which provides a format for annual Work Plans which shall be provided to the Town each year in association with the DDA's budget submittals as provided in Section 2.4.a.

ARTICLE THREE

MISCELLANEOUS

3.1 Expansion of DDA Boundaries. The parties acknowledge that the DDA Statute governs the expansion of downtown development authority boundaries, and agree that the procedures set forth in said Part 8 shall apply to any expansion of the original DDA boundaries.

3.2 Notices. All notices to be given to parties hereunder shall be in writing and shall be sent by certified mail to the addresses specified below:

If to the DDA: Windsor Downtown Development Authority
Attn: Chairperson
P.O. Box 381
Windsor, CO 80550

With a copy to: Liley, Rogers & Martell, LLC
Attn: Lucia A. Liley, Esq.
300 South Howes Street
Fort Collins, CO 80521

If to the Town: Town of Windsor
Attn: Town Manager
301 Walnut Street
Windsor, CO 80550

With a copy to: Ian McCargar
Frey McCargar & Plock, LLC
131 Lincoln Avenue, Suite 100
Fort Collins, CO 80524

- 3.3 **Governing Law.** This IGA shall be governed by, and its terms construed under the laws of the State of Colorado.
- 3.4 **Third Party Beneficiaries.** It is the mutual intent of the parties hereto that this IGA shall inure to the benefit of only the parties hereto. Accordingly, nothing in this IGA shall be construed as creating any right or entitlement which inures to the benefit of any third party.
- 3.5 **Annual Appropriation.** All financial obligations of the Town or the DDA arising under this IGA that are payable after the current fiscal year are contingent upon funds for that purpose being annually appropriated, budgeted and otherwise made available by the Town Board of the Town, in its discretion, and/or the Board of Directors of the DDA, in its discretion, as applicable.
- 3.6 **Benefit, Binding Effect, Covenant.** The parties hereto recognize that there are legal constraints imposed upon them by the constitution, statutes, and rules and regulations of the State of Colorado and of the United States, and imposed upon them by their respective governing statutes, charters, ordinances, rules and regulations, and that, subject to such constraints, the parties intend to carry out the terms and conditions of this IGA.

Notwithstanding any other provision of this IGA to the contrary, in no event shall either of the parties be obligated hereunder to exercise any power or take any action that is prohibited by applicable law. Whenever possible, each provision of this IGA shall be interpreted in such a manner so as to be effective and valid under applicable law.

IN WITNESS WHEREOF, the parties have executed this IGA the day and year first above written.

TOWN OF WINDSOR, COLORADO, a
municipal corporation

By: _____

Kelly Arnold, Town Manager

ATTEST:

Patti Garcia, Town Clerk



APPROVED AS TO FORM:

Ian McCargar, Town Attorney

WINDSOR DOWNTOWN
DEVELOPMENT AUTHORITY, a body
corporate and politic

By: _____

Bob Winter, Chairperson

ATTEST:

Craig Peterson, Secretary

Exhibit "A"

Town Employees

Elizabeth Fields

Patti Garcia

Dean Moyer

Any other Town employees authorized by the Town Manager and the
DDA Board

September 25, 2014

VIA EMAIL

Mr. Kelly Arnold, Town Manager
Mr. Ian McCargar, Esq., Town Attorney
Town of Windsor
301 Walnut Street
Windsor, Colorado 80550

**RE: Great Western Metropolitan Districts Nos. 1-7
Proposed Expansion of Districts' Future Inclusion Area**

Dear Kelly and Ian:

We are writing on behalf of the Great Western Metropolitan Districts Nos. 1-7 (the "Districts") to follow up on the prior request and to proceed with the Town's consideration of the proposed update and expansion of "Future Inclusion Area" and related Exhibit C Map for the Great Western Metropolitan Districts to include the Maan Property and Kodak Property as future inclusion parcels within the Districts.

The Amended Consolidated Service Plan for Great Western Metropolitan Districts Nos. 1-7 (the "Service Plan") approved on January 17, 2008 by Ordinance No. 2008-1312 defined the future inclusion area as 294.12 acres as depicted on the attached Service Plan Exhibit C "Future Inclusion Area Map".

Please recall that since that Service Plan approval in January of 2008, updates to the proposed areas have occurred and one of the annexed parcels (Lot 1, Block 1, GWIP Subdivision 4th Filing) had been included into District No. 4 in April of 2013. The potential expansion to include the possibility of future inclusion of the Kodak property and Maan property which are owned, managed or discussing the possibility of inclusion with the Developer and its affiliated entities so that the proposed future inclusion areas could be considered as "future inclusion areas" which might be included within the Districts in the future. The Future Inclusion Area as proposed to be updated would expand to include a total of 1,151.65 acres of property as depicted in the updated Future Inclusion Areas Map provided by Lamp Rynearson & Associates.

We believe that the expansion of the defined area will not constitute a material modification to the Service Plan as defined within Section 32-1-207, C.R.S. or Section X of the Service Plan as there is not a material departure from the Service Plan, there will be no additional services or additional proposed increases to debt authorization and no changes to the powers and authorities of the Districts as they currently exist. The expansion of the Future Inclusion Area will also not

SPENCER FANE
BRITT & BROWNE LLP

Attorneys & Counselors at Law

be binding on the property owners, does not yet define build out or changes to infrastructure or financing and any proposed inclusion will require formal approval of both the Districts and the Town at public hearings in accordance with statutory inclusion requirements prior to any proposed inclusion. These Future Inclusion Area parcels will still require annexation to the Town, a formal petition of 100% of the property owners, formal approval of both the Town and Districts and public hearings to be considered. Should the inclusion of any of these areas potentially modify or change the Service Plan or Districts in a substantive or material manner, a Service Plan amendment and updates will be provided at that time.

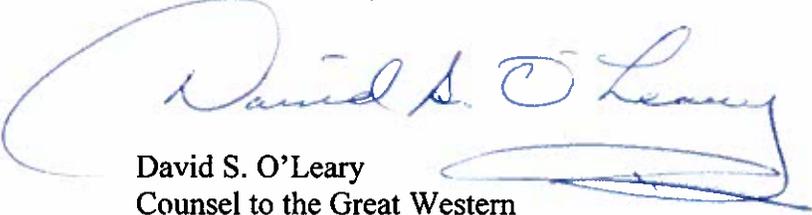
Therefore, in accordance with the provisions of the Service Plan we are seeking a modification which we believe is not material to update to the definition of potential areas which may be included into the District to include the properties depicted on the update map. We would request this update to the definition of Future Inclusion Area be considered by the Town upon administrative approval and request from the Town Manager, Town Staff and Town Attorney and consultants any determination required to update the Future Inclusion Area definition and Exhibits C and D (Map and Legal Description of the Future Inclusion Area) regarding this proposed update and whether it constitutes a material departure from the Service Plan pursuant to Section X of the Service Plan.

As we discussed, this will need to be considered by the Town Board at an upcoming board meeting. Please call myself or Pinnacle Consulting Group regarding any questions and we look forward to discussing the proposed update to the Future Inclusion Area with the Town to redefine the Future Inclusion Area to include the 1,151.65 acres in the near future.

Thank you in advance for your consideration.

Very truly yours,

SPENCER FANE, LLP

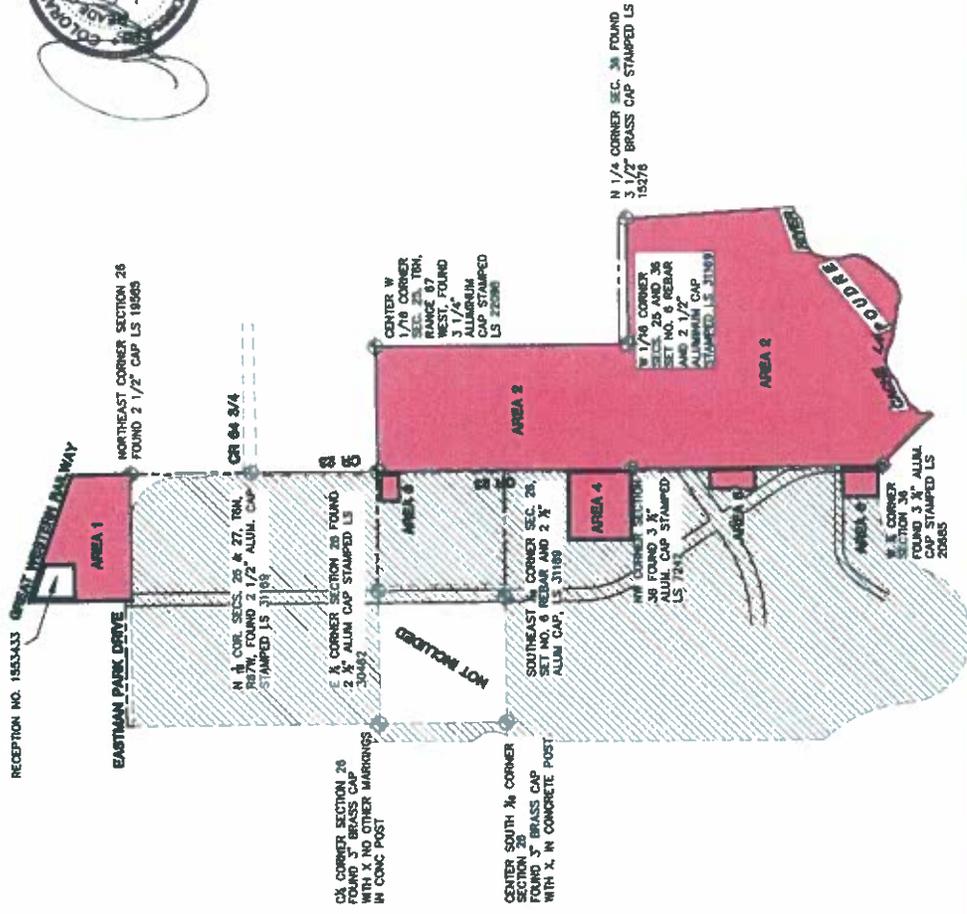

David S. O'Leary
Counsel to the Great Western
Metropolitan Districts Nos. 1-7

cc: Great Western Metropolitan Districts Nos. 1-7
Pinnacle Consulting Group, Inc., District Managers

GREAT WESTERN METROPOLITAN DISTRICT FUTURE INCLUSION AREA

REV: 7-19-07 TO EXCLUDE FRE PARCEL

WINDSOR, COLORADO



EXHIBIT

MAP OF FUTURE INCLUSION AREA
BOUNDARIES



GREAT WESTERN METRO
DISTRICT 6



FUTURE INCLUSION AREA

FUTURE INCLUSION AREA	APPROXIMATE ACRES
AREA 1	22.73
AREA 2	253.77
AREA 3	1.35
AREA 4	11.00
AREA 5	2.45
AREA 6	2.82
TOTAL	294.12



NO SCALE



TST, INC. CONSULTING ENGINEERS
748 Whalers Way
Fort Collins, Colorado
Phone: 970.226.0857
Fax: 970.226.0204
Job no. 1025.0016.00
Filename: future_inclusions_11x17_overall.dwg
FEBRUARY 2, 2007



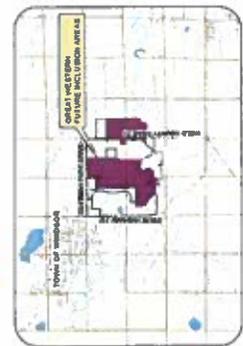
GREAT WESTERN METROPOLITAN DISTRICTS

FUTURE INCLUSION AREAS MAP

SECTIONS 22, 23, 25, 26, 27, 34, 35 AND 36
TOWNSHIP 35 NORTH
RANGE 10 WEST
COUNTY OF WINDSOR
STATE OF COLORADO

- Legend**
- Surveyed Corners
 - Surveyed Section Lines
 - BLM PL-38 Grid (Does not represent actual section lines in this area)
 - Great Western Main District
 - Future Inclusion Area

Area	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7
Area (ac)	248.22	1.24	11.04	2.43	2.82	79.92	607.08
Total	1002.75						

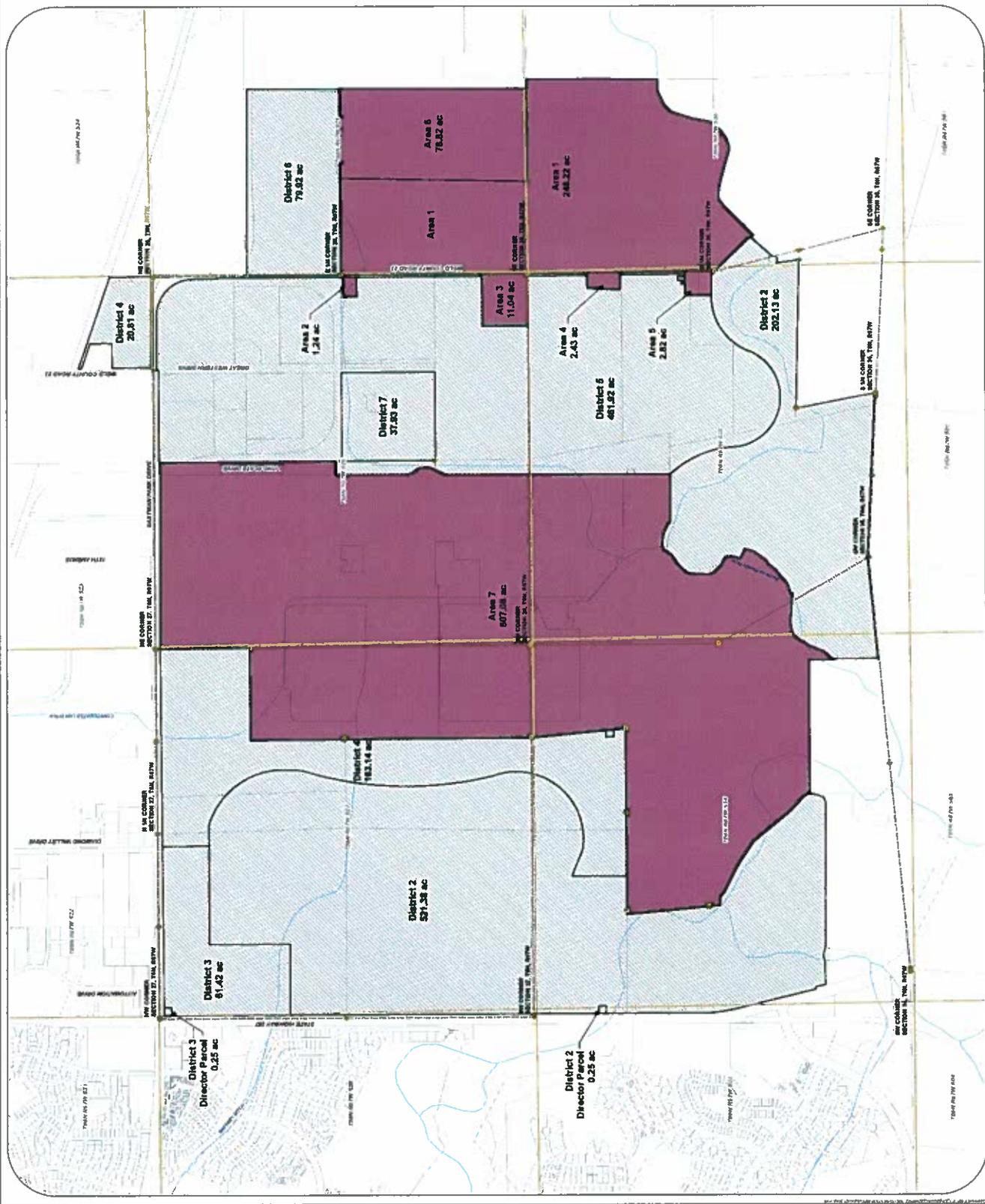


VICINITY MAP
NOT TO SCALE

DATE OF MAP: MAY 2014

DATE OF BOUNDARY: DECEMBER 2013

SOURCE OF BOUNDARY: FIELD SURVEY COMPLETED IN DECEMBER 2013



**GREAT WESTERN INDUSTRIAL PARK
FUTURE INCLUSION AREA TABLE**

<i>Future Inclusion Area</i>	<i>AC</i>
Area 1	248.22
Area 2	1.24
Area 3	11.04
Area 4	2.43
Area 5	2.82
Area 6	78.82
Area 7	807.08
<i>Total</i>	<i>1151.65</i>

JAMES M. MOCK, PLLC

ATTORNEY AT LAW
P.O. BOX 11196
BOULDER, COLORADO 80301

TELEPHONE: 303-915-3289
E-MAIL: JIM@MOCKLAWOFFICE.COM

MEMORANDUM

October 6, 2014

**CONFIDENTIAL/ATTORNEY-
CLIENT PRIVILEGED**

VIA EMAIL

TO: Kelly Arnold, Town Manager
Ian McCargar, Town Attorney
Town of Windsor

FROM: James M. Mock

RE: **Processing of Request to Expand Great Western Metropolitan District
Nos. 1-7 – Inclusion Area**

This memo includes analysis and provide some areas of inquiry for the Town's processing of the District's request to expand the Future Inclusion Area.

1. The Town Code and Service Plan guidance on this issue is essentially that the Town Board needs to approve an expansion of the Future Inclusion Area. These documents do not provide standards for processing this legislative question.
2. While the District is not requesting an actual inclusion at this time, the Town needs to review the request with the assumption that the property will actually be included. In other words, this is the Town's main look at the issue.
3. There are two primary issues: 1) Should the Town allow the area to be included within the Districts and 2) if the Town approves the expansion of the Future Inclusion Area, what is the appropriate manner in which to characterize the expansion (e.g., administrative approval, a Resolution, an IGA, an amendment of the Service Plan, or a material modification).

Should the Town Allow the Expansion?

The following items are questions the Town might ask. If the Town is satisfied with the responses to items 4 through 10 then the answers to the remaining questions might not be as important. If third parties object, then the Town will want to consider more closely the responses to items 11 - 14.

4. Does the Developer own and occupy all the property within the expansion area? If not, can the Town get a written consent from every third party owner and lessee?
5. Does the Developer own and occupy all the property within the District? If not, can the Town get a written consent from every third party owner and lessee?
6. Has the District been in good compliance with the Service Plan?
7. Has the District maintained good relations with the Town?
8. Has the Project progressed in compliance with the Service Plan? If not, does that present any concern?
9. Has the Project progressed in compliance with the Town's other development ordinances and development agreements?
10. Will the District be requesting other changes to the Service Plan? If so, what?
11. Is an inclusion of the Kodak and Mann properties good community planning? Does the Town have any planning-based concerns as to why an inclusion would be a problem?
12. Why is the expansion desired? What is the plan for the entire development and how does an inclusion fit into the plan. Please provide a detailed explanation.
13. What services does the expansion property need that it doesn't have now?
14. Why now? Why not wait until the Districts are ready to include the property?
15. What is the impact on third-party property owners and lessees (commercial and individual)?

What Is the Appropriate Way to Process the Expansion?

16. Per my June 30, 2014 memo, the issue should be determined by the Town Board.
17. Under the Colorado Special District Act, inclusion or exclusion of territory into or out of a district does not constitute a material modification of the Service Plan.
18. But Section V.A.4 of the the District's Service Plan provides that inclusion of property not located in the Future Inclusion Area requires an agreement approved by the Town Board. Per Section V.A.10, an inclusion without such an agreement constitutes a material modification.
19. If the Town Board is willing to approve an expansion of the Future Inclusion Area, I recommend the following steps:
 - a. Work Session
 - b. IGA (backed by Resolution of Approval)
 - i. Notice of meeting to consider approval of the Resolution should be certified by District as given to all property owners, lessors and residents within District boundaries and proposed Future Inclusion Area boundaries. This notice requirement is greater than the notice required for the organization of a district, but I believe it gives the Town more cover if problems develop. I also think that greater notice is required once people have "bought in" to property encumbered by a district. I am particularly attuned to the concerns of a potential long-term tenant that pays triple-net rent (i.e., its lease obligates it to pay taxes at whatever rate they may be).

Please do not hesitate to call with any questions.



MEMORANDUM

Date: October 27, 2014
To: Mayor and Town Board
Via: Work session materials, October 27, 2014
From: Ian D. McCargar, Town Attorney
Re: Great Western Metropolitan Districts request for expansion of future inclusion area
Item #: 2

Background / Discussion:

Counsel for the Great Western Metropolitan Districts, David O'Leary, has requested Town Board approval of an expansion of available "Future Inclusion Area" for the Districts. Mr. O'Leary will be appearing before you this evening to present and explain this request.

The Town's Special District counsel, James Mock, has reviewed the request. He points out that this is a legislative decision by the Town Board with no real standards or criteria. He also points out that, if the expansion is approved by the Town Board at this time, actual expansion of the Districts' boundaries to include this additional area in the future is an administrative decision under the terms of the previously-approved Service Plan. In the past, the actual inclusion of designated Future Inclusion Area parcels has been presented to the Town Board as an informational item, but not for approval, *per se*. For this reason, Mr. Mock reminds us that the request for expansion before you this evening, if approved by formal Town Board action, is your only real opportunity to address this potential expansion of the District's future boundaries.

It should be noted that, if approved, the Districts will have a Future Inclusion Area of 1151 +/- acres, compared with the current 294 +/- acres. This is a significant increase in available territory for the Districts, and carries financial implications for the Districts and the future owners of the land in question.

If there is consensus to consider the expansion, we will work up an agreement to this effect, with formal Town Board action by resolution. Further discussion and inquiry can be made at that time.

Financial Impact: None.

Relationship to Strategic Plan: Diversify, strengthen and grow local economy; effective infrastructure

Recommendation: Provide staff direction to either prepare an agreement for later Town Board action, or reject the proposed expansion.

Attachments: Mr. O'Leary's letter dated September 25, 2014; Mr. Mock's Memorandum dated October 6, 2014



FUTURE TOWN BOARD MEETINGS

Work Sessions & Regular Meetings will be held in the Board Chambers unless otherwise noted.

November 3, 2014 6:00 p.m./Police Station	Town Board Work Session Update on police operations
November 10, 2014 5:30 p.m./1 st floor conference room	Board/Manager/Attorney Monthly Meeting Capital improvement projects – final review
November 10, 2014 7:00 p.m.	Town Board Meeting
November 17, 2014 6:00 p.m.	Town Board Work Session 2015 Clearview Library District Draft Budget - <i>Tentative</i>
November 24, 2014 6:00 p.m.	Town Board Work Session 125 th Anniversary Update Downtown Overlay Parking District – J. Plummer (min.30 minutes)
November 24, 2014 7:00 p.m.	Town Board Meeting
December 1, 2014 6:00 p.m.	Town Board Work Session
December 8, 2014 5:30 p.m./1 st floor conference room	Board/Manager/Attorney Monthly Meeting
December 8, 2014 7:00 p.m.	Town Board Meeting
December 15, 2014 6:00 p.m.	Town Board Work Session
December 22, 2014 6:00 p.m.	Town Board Work Session
December 22, 2014 7:00 p.m.	Town Board Meeting
December 29, 2014	Fifth Monday

Additional Events

October 29, 2014 6:00 p.m.	Weld Town/County Dinner – Attending: Adams, Baker, Melendez, Arnold
November 18, 2014 7:30 a.m.	Weld, Severance, Windsor Joint Meeting – Attending: Morgan, Melendez, Adams, Arnold

Future Work Session Topics

Joint meeting with Parks, Recreation & Culture Advisory Board
Town Board compensation review

