

STUDY SESSION NOTES
CITY OF WHEAT RIDGE, COLORADO
City Council Chambers 7500 W. 29th Avenue

July 21, 2014

Mayor Jay called the Study Session to order at 6:30 p.m. Council members present: Jerry DiTullio, Bud Starker, Kristi Davis*, Zachary Urban, Tim Fitzgerald, Genevieve Wooden.

Absent: George Pond and Tracy Langworthy

Also present: City Clerk, Janelle Shaver; Treasurer, Larry Schulz; City Manager, Patrick Goff; Economic Development Coordinator, Ken Johnstone; and interested citizens.

PUBLIC COMMENT ON AGENDA ITEMS none

APPROVAL OF AGENDA

1. Urban Renewal Report -- Jesse Hill & Steve Art

Mr. Hill, a board member of the Urban Renewal Authority (Renewal Wheat Ridge), presented the 2013 Annual Report – including activities and the 2013 budget.

2013 projects

Town Center North (44th and Wadsworth apartments)

Included marketing, blight removal and renegotiation of some loans

Completed the TIF for Wheat Ridge Cyclery

They've been funded back – 4 years early. The TIF will now go to the Authority for 19 more years. A plan will be developed on how those funds will be used for future blight removal.

Town Center North land sales

It's been challenging. City has a lot invested in that corner. Currently under contract with Wazee Partners for more units; ongoing; hope to finish this year.

Perrin's Row (38th & Depew) townhomes

A TIF was given -- a bit of a departure from the norm as TIF's are usually given for projects that generate sales tax revenue.

2014 Projects

38th & Kipling

\$2.4 million towards financing for the development; also will be handling distribution around the \$1 million economic incentive for the developer

38th & Wadsworth

Acquired a property (former dry cleaners) to help the project along. No TIF approvals to date

Questions followed.

- Mr. Hill confirmed for Mr. DiTullio that the City only owns one property at 38th and Wads – that being the old dry cleaners at 38th & Yukon. It's in environmental remediation. Grants have helped with that. Plans are to sell it to the developer.

Mr. DiTullio said the open public process has been good over time and hopes it will continue. He suggested the Authority is in a position to be a little more selective about what types of projects they approve – to make sure they are right for the City. ~ Mr. Hill agreed about getting the plans out to the community.

- Councilmember Starker asked Mr. Hill to explain the TIF process for WR Cyclery i.e. what happens to the money now that it's paid off early?. ~ The additional revenue that comes in for the remainder of the time can now be used for public improvements in the surrounding area -- in this case, the 38th Avenue Corridor urban renewal plan area.
- Councilmember Wooden asked for the next steps coming up for 38th & Wads. ~ Mr. Hill said currently there is no TIF application for this property. Steve Art added that this project will go through the same process as did 38th & Kipling – Planning Commission review and public hearing before City Council. Urban Renewal will ultimately approve a TIF request. No formal request has been received so they can't really speak on it.
- Councilmember Fitzgerald inquired about the \$55,000 for professional services. Mr. Hill said it's primarily for legal services, including contract negotiations.

★ Councilmember Davis arrived at 6:45pm.

- Councilmember DiTullio said he was under the impression that an application for 38th & Wadsworth had been filed with staff and wondered if it was quasi-judicial now. Mr. Goff confirmed that the applicant has submitted a conceptual site plan with the City for 38th & Wadsworth and that it is now quasi-judicial. ~ Mr. DiTullio made note that Councilmembers cannot now discuss this project with each other, or the public. ~ Mr. Goff said the next thing Council will see is a subdivision plat.
- Councilmember DiTullio asked for clarification about subdivision plats.
 - They are technical documents that are hard to deny if all the rules are followed. The City can be sued over denial if all the requirements have been met.
 - Council will see the subdivision plat for approval.
 - The TIF application itself will go to the Urban Renewal Authority for approval.
 - The Wadsworth Corridor Renewal Plan will have to be amended by Council to allow a TIF to start. This could be denied.

Mr. Hill thanked the Council for the good Urban Renewal board members they have appointed. It is a diverse group of people who are excited about good projects in the future.

Councilmember Davis thanked Mr. Hill for the report and his service on the board. He keeps them straight on finances and asks hard questions.

2. City Council Tablets -- Mike Steinke

Mike Steinke from the IT staff presented information on the choices for purchase of tablets for the Council. He had handouts and examples of the units for examination. Surface Pro 3 and iPad Air had been reviewed.

Mike recommended the Surface Pro 3 for the following reasons:

- It is a Windows machine with a detachable keyboard and is designed to run Office applications. (No Microsoft Office applications on the iPad.)
- It is the latest in technology (third generation).
- The screen is 12 inches (bigger than iPad Air, and a little bigger than Surface Pro 2) and has great resolution.
- They can be better managed for a paperless agenda packet.
- It is literally a desktop replacement that provides mobility.
- The \$200 difference in price is worth it given the capabilities and possibilities. (Docking stations will be available from Microsoft in about a month.)
- With Outlook Council will be able to send and receive real time email.

Councilmember Starker received consensus to proceed with purchase of the Surface Pro 3.

3. Financial Update

Patrick Goff gave a six month financial progress report for 2014. [Distributed at Council at the meeting; included in the packet file]

General Fund revenues (pro-rated) are at 119% above projected.

- Almost all revenue categories are at over 100%, pro-rated.
- Revenue from Services and Fines & Forfeitures are down slightly.
- We are \$2 million over projected revenues, but it should be noted that a majority of that surplus (\$1.7 million) is due to a one-time sales and use tax audit of a local business. That fact aside, Sales Tax revenues are up about 1.9%.

Expenditures (pro-rated) are about 96% of what was projected.

- General Gov't, Police and Public Works are right at 100% on expenditures
- Parks expenditures are below projected (80%), due partly to the wet spring.
- Community Development expenditures are low at 66%. (They still have the brownfields grant that they haven't spent much of yet.)

Decreases

- Building permits are down (2013 was a heavy year for that), but expected to pick back up as the year goes on.
- Service revenues are down – has to do with building activity, rezonings, plan reviews, etc. Many of the projects being built this year were permitted last year.

Supplemental Budget Appropriations

- \$9 million in supplemental budget appropriations approved so far this year.
- About \$4.5 million carried over from 2013 (primarily for Wadsworth PEL, 32nd and Youngfield Widening project, Hopper Hollow Park, and PW/Parks Operations Facility).
- Additional \$4.5 million primarily for the 38th & Kipling Development project, paydown of the 44th & Wadsworth property acquisition loan, 32nd & Youngfield Widening project and 38th Avenue Corridor project.
- Mr. Goff noted that at the end of last year we put about \$1 million more into reserves than had been expected, so that has helped cover these larger appropriations.
- Paying down the loan at 44th & Wads released about \$450,000 that was tied up.
- Still meeting minimum reserves; right at 18%.

Things are looking good; trends are up. This report will be on the website.

- Treasurer Larry Schulz discussed the treasurer's report that was in the packet.
- Priorities are maintaining cash flow so we can pay our bills.
- We have not lost any money or paid any penalties.
- CD's and bonds are purchased at new issues, and CD's are kept to maturity.
- We are high on CD's, conventional and negotiable.
- Nothing has been invested (this year) that will mature in 2019, due to cash flow.
- We have been able to restore our reserve (liquid savings).
- Rates have been horrible. We've bought bonds at less than 1% because that's where the rates are.
- All our investments are protected. Bonds are backed up by the US, CD's by FDIC. None are over the \$250,000 maximum.

The Investment Committee will be meeting tomorrow.

New Colorado law requires municipal or special district bonds may not be bought for longer than a three year period, and must carry the top rating with two rating agencies. Our policy is being revised and will be coming to Council soon.

4. Staff Report(s)

Mr. Goff handed out a request from the Arvada Community Food Bank about their fundraiser event and asked if there was interest in participating. The boundaries for the Arvada Food Bank now include Wheat Ridge.

Discussion followed. It is not a budgeted item. There was support for a budget amendment of \$2,500 and councilmembers can contribute extra from their outreach funds if they choose.

5. Elected Officials' Report(s)

Councilmembers DiTullio and Starker thanked Teller Street Gallery for hosting the fundraiser Sunday for the Feed the Future Backpack Program.

The Study Session adjourned at 7:30 p.m.



Janelle Shaver, City Clerk