

Revitalization Commission

Agenda

Wednesday, March 6, 2024
City Hall, Council Chambers
749 Main Street
8:00 AM

Members of the public are welcome to attend and give comments remotely; however, the in-person meeting may continue even if technology issues prevent remote participation.

- You can call in to [+1 646 876 9923](tel:+16468769923) or [833 548 0282](tel:8335480282) (toll free) Webinar ID [#852 0147 8768](tel:85201478768)
- You can log in via your computer. Please visit the City's website [here](http://www.louisvilleco.gov/revitalizationcommission) to link to the meeting: www.louisvilleco.gov/revitalizationcommission.

The Board will accommodate public comments during the meeting. Anyone may also email comments to the Board prior to the meeting at ABrown@LouisvilleCO.gov.

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Public Comments on Items Not on the Agenda
5. Business Matters of Commission
 - a. Main Street Closure Letter of Support Discussion and Decision
 - b. Property Tax Financing Introduction Discussion
6. Commissioners' Comments
7. Adjourn

Persons planning to attend the meeting who need sign language interpretation, translation services, assisted listening systems, Braille, taped material, or special transportation, should contact the City Clerk's Office at 303 335-4536 or MeredythM@LouisvilleCO.gov. A forty-eight-hour notice is requested.

Si requiere una copia en español de esta publicación o necesita un intérprete durante la reunión, por favor llame a la Ciudad al 303.335.4536 o 303.335.4574.

March 6, 2024

Louisville City Council
749 Main Street
Louisville, CO 80027



Louisville City Council;

The Louisville Revitalization Commission (LRC) encourages City Council to consider a temporary closure of Main Street to non-emergency traffic in 2024. The Louisville Downtown Business Association (DBA) recently shared with the LRC the results of three different surveys that it conducted regarding a temporary closure of Main Street to non-emergency traffic. Each of the three surveys indicated at least a 90% support rate for a temporary closure of Main Street.

As the Urban Renewal Authority within the City of Louisville, the LRC believes that temporarily closing Main Street would help support the goals of the Highway 42 Revitalization Area Urban Renewal Plan, which include reducing, eliminating and preventing the spread of blight within the Urban Renewal Area, and stimulating growth and reinvestment within the Area boundaries, on surrounding blocks and throughout downtown.

We encourage you to consider a temporary closure of Main Street to non-emergency traffic in 2024 as this action is anticipated to have a dramatic impact on the vitality of our downtown and its businesses.

Sincerely,

Louisville Revitalization Commission
Louisville's Urban Renewal Authority

**5697SUBJECT: LOUISVILLE REVITALIZATION COMMISSION PROPERTY TAX
INCREMENT REVENUE BOND SCENARIOS**

DATE: MARCH 6, 2024

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER

SUMMARY:

The Louisville Revitalization Commission (LRC) is the City of Louisville's urban renewal authority. Urban Renewal Areas are created with a main intention of eliminating and preventing blight within their boundary areas. The LRC seeks to work with property owners, businesses and other stakeholders to support and stimulate private development.

The LRC is funded by a property tax from properties located within the Highway 42 Urban Renewal Area, and these funds are used within the boundary areas to support businesses, rehabilitate properties, upgrade facades and other actions that eliminate blight and support revitalization. The LRC has a relatively consistent budget year to year as property taxes are generally stable. In the past, these funds have been used for a variety of programming to include the façade improvement program, area tourism attractions, infrastructure improvements and planning work.

The LRC has expressed a desire to learn more about what financial options they have through the area increment expiration. A stable budget allows current programming to continue, and exploration of potential financing scenarios that would allow the LRC to contribute to large projects within the Highway 42 Urban Renewal Area. This scenario planning shows some examples of property tax increment revenue bonds that can be taken out to allow the LRC to contribute different funding levels to various downtown projects. These projections are illustrative and for discussion purposes only.

*Rates and revenues are subject to change based on when/if action is taken and bonds are issued.

FISCAL IMPACT:

There is no current fiscal impact. If no action is taken, the LRC revenues and expenditures will proceed as they have historically and as budgeted. Future fiscal impacts would be based on programming and bond interest rates.

PROGRAM/SUB-PROGRAM IMPACT:

SUBJECT: LRC DEBT SERVICE COMPARISON

DATE: MARCH 6, 2024

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These funding scenarios are funding examples that can be used for discussion and program planning (the rates and revenues are subject to change). These various scenarios provide different opportunities for the Louisville Revitalization Commission to financially engage in larger scale projects and programming within the urban renewal area. The program impact would be dependent on funding levels for each year.

RECOMMENDATION:

No action needs to be taken at this meeting. Staff recommends a thorough review of funding options alongside current and future Louisville Revitalization Commission programs and financial commitments. LRC can direct staff if and when they decide which funding option they would like to pursue.

Staff anticipates bringing forward program scenarios at the regular March meeting for each comparison tier. These examples intend to showcase how the LRC could contribute to various projects, at various levels, within these bonding options.

ATTACHMENT(S):

1. 2024 03 06 LRC Financing Comparison

Louisville Revitalization Commission, Colorado

Property Tax Increment Revenue Bonds, Series 2024

Project Fund and Debt Service Comparison

Assumes Estimated Bank Rate as of February 2024 with no Moral Obligation Pledge ⁽¹⁾

| | Scenario 1: \$3 Million Project Fund | | | Scenario 2: \$7 Million Project Fund | | | Scenario 3: \$10 Million Project Fund | | | | |
|-------------------------------|---|------------------------|-------------|---|------------------------|-------------|--|------------------------|--------------|------------------------|------------------------|
| | Series 2024 | | | Series 2024 | | | Series 2024 | | | | |
| Sources | | | | | | | | | | | |
| Par Amount | \$3,050,000 | | | \$7,050,000 | | | \$10,050,000 | | | | |
| Total Source of Funds | \$3,050,000 | | | \$7,050,000 | | | \$10,050,000 | | | | |
| Uses | | | | | | | | | | | |
| Project Fund | \$3,000,000 | | | \$7,000,000 | | | \$10,000,000 | | | | |
| Cost of Issuance | 50,000 | | | 50,000 | | | 50,000 | | | | |
| Total Use of Funds | \$3,050,000 | | | \$7,050,000 | | | \$10,050,000 | | | | |
| Finance Statistics | | | | | | | | | | | |
| Dated Date | 9/4/2024 | | | 9/4/2024 | | | 9/4/2024 | | | | |
| Interest Rate | 5.000% | | | 5.000% | | | 5.000% | | | | |
| Maximum Annual DS | \$706,000 | | | \$1,415,500 | | | \$1,883,500 | | | | |
| Total Repayment | \$4,016,854 | | | \$9,086,938 | | | \$12,843,688 | | | | |
| Debt Service Cash Flow | | | | | | | | | | | |
| | | | Scenario 1 | | | Scenario 2 | | | Scenario 3 | | |
| | | | Series 2024 | Aggregate Debt Service | Annual Excess Revenues | Series 2024 | Aggregate Debt Service | Annual Excess Revenues | Series 2024 | Aggregate Debt Service | Annual Excess Revenues |
| Year | Annual Net Revenues ⁽²⁾ | Refunding Debt Service | | | | | | | | | |
| 2024 | 954,600 | 790,163 | 36,854 | 827,017 | 127,583 | 160,188 | 950,350 | 4,250 | 161,438 | 951,600 | 3,000 |
| 2025 | 2,147,410 | 792,750 | 152,500 | 945,250 | 1,202,160 | 618,750 | 1,411,500 | 735,910 | 1,090,500 | 1,883,250 | 264,160 |
| 2026 | 2,284,900 | 788,500 | 152,500 | 941,000 | 1,343,900 | 625,250 | 1,413,750 | 871,150 | 1,096,000 | 1,884,500 | 400,400 |
| 2027 | 2,423,430 | 792,750 | 152,500 | 945,250 | 1,478,180 | 620,750 | 1,413,500 | 1,009,930 | 1,089,750 | 1,882,500 | 540,930 |
| 2028 | 2,580,450 | | 702,500 | 702,500 | 1,877,950 | 1,410,750 | 1,410,750 | 1,169,700 | 1,882,250 | 1,882,250 | 698,200 |
| 2029 | 2,724,260 | | 705,000 | 705,000 | 2,019,260 | 1,415,500 | 1,415,500 | 1,308,760 | 1,883,500 | 1,883,500 | 840,760 |
| 2030 | 2,882,030 | | 706,000 | 706,000 | 2,176,030 | 1,412,250 | 1,412,250 | 1,469,780 | 1,881,000 | 1,881,000 | 1,001,030 |
| 2031 | 3,031,370 | | 705,500 | 705,500 | 2,325,870 | 1,411,250 | 1,411,250 | 1,620,120 | 1,879,750 | 1,879,750 | 1,151,620 |
| 2032 | 3,200,080 | | 703,500 | 703,500 | 2,496,580 | 1,412,250 | 1,412,250 | 1,787,830 | 1,879,500 | 1,879,500 | 1,320,580 |
| | \$3,164,163 | | \$4,016,854 | \$7,181,017 | \$15,047,513 | \$9,086,938 | \$12,251,100 | \$9,977,430 | \$12,843,688 | \$16,007,850 | \$6,220,680 |

(1) Assumes an interest rate based on recent bank rates; interest rate is subject to change based on final timing of a transaction and lenders' cost of capital. Assumes a stand-alone tax increment credit and does not assume a City moral obligation pledge.

(2) Provided by the City with Net Revenues equal to Total Revenue less Support Services, TIF Refunds, Façade Improvements, and Professional Services.

DRAFT