



# ***2013 Annual Budget***

**October 15, 2012**

**Parker Authority for Reinvestment  
2013 Annual Budget  
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## ***Budget Message***

In 2006, the Town of Parker established the Parker Authority for Reinvestment (the Authority) as an urban renewal authority pursuant to the Town's Charter and the Colorado Urban Renewal Law. The purpose of the Authority is to eliminate, mitigate and reduce the spread of blight. The Authority is funded through tax increment revenue. Tax increment revenue is part of a statutory authorization that enables the Authority to collect the net new property and sales tax revenues generated within a designated urban renewal area to help finance future improvements within the area. The revenue received is used for improvements that have a public benefit and supports the redevelopment effort, such as, but not limited to, site clearance, streets, utilities, parks, the removal of hazardous materials or conditions, or site acquisition.

On May 18, 2009, the Town adopted the Parker Central Area Reinvestment Plan, the first urban renewal area. During 2010, the Authority began to recognize revenue from the tax increment within the Parker Central Area. The Authority collects property tax increment only within the Parker Central Area. The 2013 budget was adopted on October 15, 2012 with projected revenues of \$327,900 and budgeted expenditures of \$145,100.

On October 15, 2012 the Town adopted two additional urban renewal plans, the Cottonwood Central Area Urban Renewal Plan and the Parker Road Urban Renewal Plan. Though these plans are adopted, the Town did not initiate the collection of tax increment. No increment for these areas are reflected in the 2013 budget.

The Authority Board last updated the *Incentive Program and Guidelines for Public Sector Participation* on March 5, 2012. This policy was developed by the Authority to guide the decision making process when implementing the tools available to eliminate, mitigate or reduce the spread of blight. This policy describes the following services the Authority may choose to participate in funding:

- **Tax Increment Financing**

Tax Increment Financing (TIF) allows the Authority to utilize tax revenues generated by redevelopment and new development to assist projects that provide a public benefit and eliminate blight. Revenues provided to assist projects are subject to the timeline and scale of private development in the Area and will be reimbursed from the TIF created by the development. Project costs eligible for TIF reimbursement include property acquisition, demolition and site preparation, installation of infrastructure and amenities, and public improvements.

The financial needs of a project will be determined based upon the nature and extent of any financial gap resulting from total project costs and the amount of revenue that can be generated by the project through a determined period of time (i.e. stabilization) and the extent to which the project advances the goals of the Urban Renewal Plan. Requests will be reviewed in the context of the Parker Authority for Reinvestment *Incentive Program and*

*Guidelines for Public Sector Participation* which sets forth the types of participation, the criteria and the process. Any public participation will require approval by the Authority Board.

- **Infrastructure Cost Participation**

The Authority has developed a priority list of capital projects within the Parker Central Area in order to assure that public funds are spent in a fiscally prudent and transparent manner. Upon initiation of the collection of tax increment for the Cottonwood Commercial Area and the Parker Road Area, the Authority will also develop a priority list of capital projects within these areas.

- **Relocation Assistance**

The Authority provides relocation assistance to those individuals, families and business concerns if they are displaced by an urban renewal project. The amount of relocation assistance will be determined on a case-by-case basis, consistent with the requirements set forth in the Urban Renewal Law and the adopted relocation policies of the Authority.

- **Other Programs**

In order to accomplish the mission and goals of the Authority, the Authority may implement other blight elimination programs that achieve a particular Authority or Urban Renewal Area goal. Other programs may include local grants, low interest loans and revolving loan pools, predevelopment due diligence and land transfer.

### **2012 Highlights**

On May 7, 2012, the Authority created the Business in Transition (BIT) Program to reduce commercial vacancy in the Parker Central Plan Area, thereby reducing blight. Initially, the Program was to be funded through a \$300,000 loan from the Town of Parker, the Authority determined that a loan would not be necessary. The grant program provides assistance to businesses transitioning from home based locations to commercial space and businesses that are increasing their commercial space. The Authority approved one request in 2012 filling 1,881 s.f. of vacant retail space.

On October 15, 2012, the Authority completed a Redevelopment Agreement to promote the redevelopment of an underutilized property through construction of a new 126,000 s.f. independent living facility on the site. The benefits of this project were removal of blight, enhanced pedestrian connections and job creation.

On August 24, 2006, the Town and the Authority entered into a cooperative agreement that included advancing funds to the Authority and an agreement that the Authority would reimburse the Town for staff time. In 2012, the Authority repaid the Town all of the advanced funds, a total of \$154,000. The Authority also reimbursed the Town for all staff time from 2006 to 2011 amounting in a total of \$72,448.61.

### **2013 Budget Highlights**

New funding line items for the 2013 budget include:

- \$5,000 for marketing

- \$15,000 for TIF reimbursement – This will be the first tax increment reimbursement based on the redevelopment agreement between the Authority and MSSL Mainstreet regarding the Morningstar Assisted Living Facility at the southeast corner of Dransfeldt Road and Mainstreet
- \$60,000 for gateway improvements to the southeast corner of Parker Road and Mainstreet - The improvements to the southeast corner of Parker Road and Mainstreet are the first phase of one of the four priority capital projects established for the Parker Central Area by the Authority Board.

The 2013 budget of the Parker Authority for Reinvestment is attached to this budget message. In conformance with the State of Colorado requirements, the budget includes anticipated revenues, proposed expenditures, beginning and ending fund balances, and three years of comparable budget data. The basis of accounting used for the Authority budget is modified accrual.

Respectfully submitted,

G. Randolph Young  
Executive Director

**Parker Authority for Reinvestment  
2013 Budget**

	2011	2012	2012	2013
	Actual	Revised Budget	Projection	Budget
<b>Beginning fund balance</b>	<b>\$ 163,741</b>	<b>\$ 229,151</b>	<b>\$ 229,151</b>	<b>\$ 123,351</b>
PAR Tax Distribution	119,456	133,100	226,000	327,900
Investment Earnings	97	-	200	200
Transfer from Town (Loan Proceeds)	-	300,000	-	-
<b>Total revenue</b>	<b>119,553</b>	<b>433,100</b>	<b>226,200</b>	<b>328,100</b>
<b>Total available</b>	<b>283,294</b>	<b>662,251</b>	<b>455,351</b>	<b>451,451</b>
<b>Expenditures:</b>				
Administration:				
General Supplies	13	500	400	400
Legal Services	8,712	15,000	15,000	15,000
Town Services	-	86,800	86,800	23,000
Marketing	-	-	-	5,000
Other Prof/Tech Services	19,592	15,000	15,000	25,000
Advertising	-	-	100	100
Employee Mileage Reimbursement	-	100	100	100
Education, Training, Development	425	1,000	1,000	1,500
Programs:				
Facade and Landscape Improvement Program	25,401	34,600	34,600	-
Business in Transition Program	-	150,000	25,000	-
Tax Increment Reimbursement	-	-	-	15,000
Capital Outlay:				
Landscape Improvements - SE Corner of Parker Road and Mainstreet	-	-	-	60,000
Transfer to Town (Loan Repayment)	-	154,000	154,000	-
<b>Total expenditures</b>	<b>54,143</b>	<b>457,000</b>	<b>332,000</b>	<b>145,100</b>
<b>Ending fund balance</b>	<b>\$ 229,151</b>	<b>\$ 205,251</b>	<b>\$ 123,351</b>	<b>\$ 306,351</b>

**PAR RESOLUTION NO. 2012-11**

**TITLE: A RESOLUTION TO ADOPT THE 2013 BUDGET FOR THE PARKER AUTHORITY FOR REINVESTMENT AND TO MAKE APPROPRIATIONS FOR THE SAME**

WHEREAS, upon due and proper notice, posted in accordance with the Colorado State Statute, said proposed budget was open for inspection by the public at the Parker Town Hall, and a Public Hearing was held on October 15, 2012, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Parker Authority for Reinvestment, that:

**Section 1.** The 2013 budget for the Parker Authority for Reinvestment, which is attached hereto as Exhibit A and incorporated by this reference, is hereby adopted and the monies are appropriated as the same are budgeted.

**Section 2.** The budget herein approved shall be signed by the Chair and Clerk and made part of the public records of the Parker Authority for Reinvestment.

INTRODUCED, READ AND ADOPTED by a vote of 5 for and 0 against at a regular meeting of the Board of Commissioners of the Parker Authority for Reinvestment on October 15, 2012 at 9:30 p.m., at Parker Town Hall, Parker, Colorado.



David Casiano, Chair

ATTEST:



Carol Baumgartner, Clerk