



AGENDA INFORMATION MEMORANDUM NEDERLAND BOARD OF TRUSTEES

Meeting Date: February 17, 2016
Prepared By: Alisha Reis, Katrina Harms
Dept: DDA
Consent Information Action Discussion

DISCUSSION ITEM:

Q&A for the Debt Authorization Ballot Issue

SUMMARY:

Attached is the resolution the BOT passed on February 9, 2106 to refer to the voters of the Nederland Downtown Development Authority a question to authorize debt in support of projects and programs in the downtown district.

Also attached are several financial scenarios finalized by the DDA at their meeting of Jan. 20, 2016. All of the projects on these lists are in line with the DDA's Plan of Development, a document that governs all expenditures within the district, as well as identified priorities of the DDA and the Board of Trustees, furthering the Master Infrastructure Plan, Comprehensive Plan and other elements of the #NedZero program. Also at their Jan. 20 meeting, the DDA will consider a Resolution to formally request the Board to call an election of the DDA electorate to consider the attached question.

The base cost of this initiative is \$2.9 million, to be repaid by the DDA's annual tax increment financing (TIF) revenue. Repayment, *estimated* at an average 6% interest, would add \$1 million to \$2 million over the 20-year life of the consolidated debt amounts.

It should be noted that once voters approve the debt authorization, the DDA would still need approval from the Board of Trustees for each loan it seeks for each DDA project or refinancing.

These ballot questions will be put before the electors of the DDA district, which include property owners and tenants within the DDA's boundaries. Per Ordinance 702 (adopted on January 3, 2012), the district's boundaries exclude residential and agricultural properties. Thus, owners of residential and agricultural property located within the DDA's boundaries will not vote on DDA-related items in the April election.

RESOLUTION R-2016-05

A RESOLUTION APPROVING AN ELECTION CALLED BY THE NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY FOR APRIL 5, 2016.

WHEREAS, the Town of Nederland, Colorado (the “Town”) is a statutory town duly existing under the Constitution and laws of the State of Colorado; and

WHEREAS, the Nederland Downtown Development Authority, in the Town of Nederland, State of Colorado (the “Authority”), is a body corporate duly organized and existing under laws of the State of Colorado; and

WHEREAS, the Town Board (the “Board”) of the Town has heretofore approved the Plan of Development (the “Plan”) for the Authority; and

WHEREAS, the interest of the Authority and the public interest and necessity demand and require the financing of certain development projects described in the Plan (the “Project”); and

WHEREAS, Article X, Section 20 of the Colorado Constitution (“TABOR”) requires voter approval for the creation of any debt; and

WHEREAS, the Plan contemplates the use of tax increment revenues as provided in Section 31-25-807(3), C.R.S., to finance the costs of development projects described in the Plan; and

WHEREAS, pursuant to Section 31-25-807(3)(b), C.R.S., the Town may irrevocably pledge such tax increment revenues to the payment of bonds, loans, advances or indebtedness if a question of issuing same is first submitted for approval to the qualified electors of the Authority at a special election held for those purposes; and

WHEREAS, Section 31-25-807(3)(b) C.R.S. further provides that such election shall be called by resolution of the Authority and approved by the Board at least 30 days prior to the election; and

WHEREAS, TABOR requires elections on ballot issues (as defined in TABOR) to be held on limited election days; and

WHEREAS, April 5, 2016 is one of the election dates at which ballot issues may be submitted pursuant to TABOR; and

WHEREAS, it is necessary for the Board to approve the election called by the Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF NEDERLAND, COLORADO:

Section 1. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the Town and the officers thereof, directed towards the election and the objects and purposes herein stated are hereby ratified, approved and confirmed. All terms used herein and not otherwise defined shall have the meanings set forth in Title 31, Article 25, Part 8, C.R.S. (the “Act”) or Title 1, Articles 1 to 13, C.R.S., (the “Election Code”).

Section 2. The Town hereby approves the holding of the election by the Authority in the manner prescribed by resolution of the Authority attached hereto as **Exhibit A**, such election held to authorize the issuance of financial obligations by the Town and the pledging of tax increment revenues to the payment of such financial obligations by the Town pursuant to the ballot question set forth in the resolution of the Authority attached hereto as **Exhibit A**.

Section 3. If any section, subsection, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, or provision shall in no manner affect any remaining provisions of this resolution, the intent being that the same are severable.

Section 4. All orders, resolutions, bylaws, ordinances or regulations of the Town, or parts thereof, inconsistent with this ordinance are hereby repealed to the extent only of such inconsistency.

Section 5. The Town Board finds and declares that this Resolution is promulgated and adopted for the public health, safety and welfare and this Resolution bears a rational relation to the legislative object sought to be obtained.

Introduced and passed by a vote of ____ for and ____ against, this 2nd day of February, 2016.

TOWN OF NEDERLAND, COLORADO

By _____
Joe Gierlach, Mayor

ATTEST:

LauraJane Baur, Town Clerk

Approved as to form:

Carmen Beery, Town Attorney

NDDA RESOLUTION R-2016-01

A RESOLUTION SUBMITTING TO THE QUALIFIED ELECTORS OF THE TOWN OF NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY, AT THE ELECTION TO BE HELD APRIL 5, 2016, A BALLOT ISSUE AUTHORIZING DEBT OF THE DOWNTOWN DEVELOPMENT AUTHORITY.

WHEREAS, the Nederland Downtown Development Authority, in the Town of Nederland, State of Colorado (the “Authority”), is a body corporate duly organized and existing under laws of the State of Colorado; and

WHEREAS, the members of the Board of the Authority (the “Board”) have been duly appointed and qualified; and

WHEREAS, the Board of Trustees (the “Board”) of the Town of Nederland (the “Town”) has heretofore approved the Plan of Development (the “Plan”) for the Authority; and

WHEREAS, the interest of the Authority and the public interest and necessity demand and require the financing of certain development projects described in the Plan (the “Project”); and

WHEREAS, Article X, Section 20 of the Colorado Constitution (“TABOR”) requires voter approval for the creation of any debt or mill levy increase; and

WHEREAS, pursuant to Section 31-25-807(3)(b), C.R.S., the Board may call an election on the question of issuing bonds or otherwise providing for loans, advances or indebtedness (“Financial Obligations”) and pledging the tax increment revenues to the payment of such Financial Obligations; and

WHEREAS, the estimated cost of the Project is approximately \$2.924 million; and

WHEREAS, TABOR requires elections on ballot issues (as defined in TABOR) to be held on limited election days; and

WHEREAS, April 5, 2016 is one of the election dates of the Town at which ballot issues may be submitted pursuant to TABOR; and

WHEREAS, it is necessary to set forth certain procedures concerning the conduct of the election; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY:

Section 1. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Authority and the officers thereof, directed towards the election and the objects and purposes herein stated are hereby ratified, approved and confirmed. All terms used herein and not otherwise defined shall have the meanings set forth in Title 31, Article 25, Part 8, C.R.S. (the “Act”) or Title 1, Articles 1 to 13, C.R.S., (the “Election Code”).

Section 2. Pursuant to TABOR, the Election Code and the Act, the Board hereby determines to call an election to be conducted on April 5, 2016, as an independent mail ballot election (the “Election”). The Board hereby determines that at the Election to be held on April 5, 2016, there shall be submitted to the qualified electors of the Authority the question set forth in Section 3 hereof. Because the Election will be held as an independent mail ballot election, the Authority hereby determines that the Town Clerk shall conduct the Election on behalf of the Authority and act as designated election official.

Section 3. The Board hereby authorizes and directs the designated election official to submit to the qualified electors of the Authority at the Election the ballot question in substantially the following form:

SHALL TOWN OF NEDERLAND DEBT BE INCREASED \$2,924,000 WITH A REPAYMENT COST OF \$5,110,570, FOR THE PURPOSE OF FINANCING OR REFINANCING THE COSTS OF DEVELOPMENT PROJECTS TO BE UNDERTAKEN BY OR ON BEHALF OF THE NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY PURSUANT TO THE NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY PLAN OF DEVELOPMENT, AS IT MAY BE AMENDED FROM TIME TO TIME, AND APPLICABLE PROVISIONS OF COLORADO LAW; SUCH PROJECTS MAY INCLUDE BUT ARE NOT LIMITED TO:

- STUDY, DESIGN AND CONSTRUCTION OF PARKING AND MULTI-MODAL TRAFFIC FLOW IMPROVEMENTS, INCLUDING MAINTENANCE AND PROJECT MANAGEMENT, IN THE DOWNTOWN AREA;
- STUDY, DESIGN AND CONSTRUCTION OF IMPROVEMENTS, AND MITIGATION OF ECOLOGICAL AREAS, RELATED TO THE MIDDLE BOULDER CREEK; AND
- PROGRAMMING, BEAUTIFICATION AND ENHANCEMENT OF THE DOWNTOWN AREA;

SUCH DEBT AND THE INTEREST THEREON TO BE PAYABLE FROM AND

SECURED BY A PLEDGE OF THE SPECIAL FUND OF THE TOWN WHICH SHALL CONTAIN TAX INCREMENT REVENUES OF THE AUTHORITY LEVIED AND COLLECTED WITHIN THE BOUNDARIES OF THE AUTHORITY; SUCH DEBT TO BE EVIDENCED BY BONDS, NOTES, LOANS OR OTHER INDEBTEDNESS TO BE SOLD IN ONE SERIES OR MORE, ON TERMS AND CONDITIONS, AND WITH SUCH MATURITIES AS PERMITTED BY LAW AND AS THE TOWN MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF A PREMIUM OF NOT MORE THAN 3% OF THE PRINCIPAL AMOUNT SO REDEEMED; AND SHALL THE TOWN AND THE AUTHORITY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE TAX INCREMENT REVENUES, THE BOND PROCEEDS AND INVESTMENT INCOME THEREON AS A VOTER-APPROVED REVENUE CHANGE, AND AN EXCEPTION TO THE LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION (TABOR), OR ANY OTHER LAW?

Section 4. The officers of the Authority and the Town shall be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

Section 5. If a majority of the votes cast on the questions of increasing Town debt and taxes for the purposes specified in the Plan submitted at the Election shall be in favor of same, the Town, acting on behalf of the Authority, shall be authorized to proceed with the necessary action to comply with such questions.

Section 6. Any authority to increase Town debt and increase taxes, if conferred by the results of the Election, shall be deemed and considered a continuing authority to increase Town debt and taxes, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

Section 7. If any section, subsection, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, or provision shall in no manner affect any remaining provisions of this resolution, the intent being that the same are severable.

Section 8. All orders, resolutions, bylaws, ordinances or regulations of the Authority, or parts thereof, inconsistent with this resolution are hereby repealed to the extent only of such inconsistency.

ADOPTED AND APPROVED this January 20, 2016.

Chairperson

(SEAL)

Attest:

Secretary

	Debt Authorization Ballot Question				
#1	Traffic Study	60,000			
#1	Lakeview intersection project	500,000			
#1	Underused Parking Lot Improvements	50,000			
#1	On Street Parking: Lakeview & Big Springs	20,000			
#1	1st Street Loading zone	5,000			
#1	1st Street Pedestrian/ADA walkability	500,000			
#2	2nd crossing at Middle Boulder Creek	360,000			
#2	River pathway design (construction TBD)	40,000			
#2	Mitigate stormwater and water quality issues related to Phase 1	550,000	detail----	Hwy 119 WQ & Stormwater Mgmt	235,000
				Hwy 119 to MBC Stormwater Mgmt & WQ	165,000
				Conger St Stormwater Mgmt	150,000
#3	Loans, grants, and rebate programs	125,000			
#3	Improve vehicular and pedestrain signage/wayfinding	25,000			
#3	Event Support	25,000			
#3	Business Incubation (bank office space & property purchase)	254,000			
#3	Beautification (public art installations, pocket parks, native planting and landscaping)	25,000			
#3	Visitor center (operation)	60,000			
#3	Bury 1st Street utility lines	250,000			
#3	Amphitheater	75,000			
		2,924,000			

Total Borrowing		\$	2,953,240.00			
Private Placement	<input type="text" value="1%"/>	\$	29,532.40			
Net Proceeds		\$	2,923,707.60		Payment	\$ 127,764.18
Interest Rate	<input type="text" value="6.00%"/>				Use Goal Seek to Equal 0	\$ (0.00)

Bi Annual Payments		Payments	Interest	Principal	\$	2,953,240.00
0.50	2017	\$ 127,764.18	\$ 88,597.20	\$ 39,166.98	\$	2,914,073.02
1.00	2017	\$ 127,764.18	\$ 87,422.19	\$ 40,341.99	\$	2,873,731.02
1.50	2018	\$ 127,764.18	\$ 86,211.93	\$ 41,552.25	\$	2,832,178.77
2.00	2018	\$ 127,764.18	\$ 84,965.36	\$ 42,798.82	\$	2,789,379.94
2.50	2019	\$ 127,764.18	\$ 83,681.40	\$ 44,082.79	\$	2,745,297.16
3.00	2019	\$ 127,764.18	\$ 82,358.91	\$ 45,405.27	\$	2,699,891.89
3.50	2020	\$ 127,764.18	\$ 80,996.76	\$ 46,767.43	\$	2,653,124.46
4.00	2020	\$ 127,764.18	\$ 79,593.73	\$ 48,170.45	\$	2,604,954.01
4.50	2021	\$ 127,764.18	\$ 78,148.62	\$ 49,615.56	\$	2,555,338.44
5.00	2021	\$ 127,764.18	\$ 76,660.15	\$ 51,104.03	\$	2,504,234.41
5.50	2022	\$ 127,764.18	\$ 75,127.03	\$ 52,637.15	\$	2,451,597.26
6.00	2022	\$ 127,764.18	\$ 73,547.92	\$ 54,216.27	\$	2,397,380.99
6.50	2023	\$ 127,764.18	\$ 71,921.43	\$ 55,842.76	\$	2,341,538.24
7.00	2023	\$ 127,764.18	\$ 70,246.15	\$ 57,518.04	\$	2,284,020.20
7.50	2024	\$ 127,764.18	\$ 68,520.61	\$ 59,243.58	\$	2,224,776.62
8.00	2024	\$ 127,764.18	\$ 66,743.30	\$ 61,020.89	\$	2,163,755.73
8.50	2025	\$ 127,764.18	\$ 64,912.67	\$ 62,851.51	\$	2,100,904.22
9.00	2025	\$ 127,764.18	\$ 63,027.13	\$ 64,737.06	\$	2,036,167.16
9.50	2026	\$ 127,764.18	\$ 61,085.01	\$ 66,679.17	\$	1,969,487.99
10.00	2026	\$ 127,764.18	\$ 59,084.64	\$ 68,679.55	\$	1,900,808.45
10.50	2027	\$ 127,764.18	\$ 57,024.25	\$ 70,739.93	\$	1,830,068.52
11.00	2027	\$ 127,764.18	\$ 54,902.06	\$ 72,862.13	\$	1,757,206.39
11.50	2028	\$ 127,764.18	\$ 52,716.19	\$ 75,047.99	\$	1,682,158.39
12.00	2028	\$ 127,764.18	\$ 50,464.75	\$ 77,299.43	\$	1,604,858.96
12.50	2029	\$ 127,764.18	\$ 48,145.77	\$ 79,618.42	\$	1,525,240.55
13.00	2029	\$ 127,764.18	\$ 45,757.22	\$ 82,006.97	\$	1,443,233.58
13.50	2030	\$ 127,764.18	\$ 43,297.01	\$ 84,467.18	\$	1,358,766.40
14.00	2030	\$ 127,764.18	\$ 40,762.99	\$ 87,001.19	\$	1,271,765.21
14.50	2031	\$ 127,764.18	\$ 38,152.96	\$ 89,611.23	\$	1,182,153.98
15.00	2031	\$ 127,764.18	\$ 35,464.62	\$ 92,299.57	\$	1,089,854.41
15.50	2032	\$ 127,764.18	\$ 32,695.63	\$ 95,068.55	\$	994,785.86
16.00	2032	\$ 127,764.18	\$ 29,843.58	\$ 97,920.61	\$	896,865.25
16.50	2033	\$ 127,764.18	\$ 26,905.96	\$ 100,858.23	\$	796,007.02
17.00	2033	\$ 127,764.18	\$ 23,880.21	\$ 103,883.97	\$	692,123.05
17.50	2034	\$ 127,764.18	\$ 20,763.69	\$ 107,000.49	\$	585,122.56
18.00	2034	\$ 127,764.18	\$ 17,553.68	\$ 110,210.51	\$	474,912.05
18.50	2035	\$ 127,764.18	\$ 14,247.36	\$ 113,516.82	\$	361,395.22
19.00	2035	\$ 127,764.18	\$ 10,841.86	\$ 116,922.33	\$	244,472.90
19.50	2036	\$ 127,764.18	\$ 7,334.19	\$ 120,430.00	\$	124,042.90
20.00	2036	\$ 127,764.18	\$ 3,721.29	\$ 124,042.90	\$	(0.00)
		\$ 5,110,567.40	\$ 2,157,327.40	\$ 2,953,240.00		

**NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY
TIF ANALYSIS**

LIFE OF DISTRICT IN YEARS (TOTAL 30 YEARS) YEARS	1-13	14-30	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	2006-2018	2019-2035	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
									Master Plan		Future Debt Authorization					
Beginning TIF Balance			-	22,018	86,446	134,307	190,321	122,478	118,363	148,612	35,608	7,990	19,145	(4,111)	(18,045)	(26,107)
			<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
TIF Receipts (Projected*)	1,322,731	4,130,394	22,018	67,811	83,921	104,413	104,640	99,915	142,000	150,000	175,000	183,750	189,263	198,726	204,687	214,922
<i>* Projections are estimated based on future business activity</i>				208%	24%	24%	0%	-5%	42%	6%	17%	5%	3%	5%	3%	5%
Tax Collection Costs								1,474	2,144	2,295	2,625	2,756	2,839	2,981	3,070	3,224
Adjusted Tax Receipts			22,018	67,811	83,921	104,413	104,640	98,441	139,856	147,705	172,375	180,994	186,424	195,745	201,617	211,698

	Loan Disbursements	Loan Payments w/Interest	Loan Payments w/Interest													
Debt Authorization 2012	913,589															
Mutual of Omaha Loan	51,500	105,331		3,383	36,060	43,502	22,386									
Tractor	19,589	19,590				4,897	4,897	4,897	4,897							
Loan 1 - Town	248,500	265,596					27,666	66,399	66,399	66,399	38,733					
Sidewalk Phase 1	80,000	80,224					80,224									
NEdPeds	37,000	37,309					37,309									
NEdPeds	117,000	125,040						31,260	31,260	31,260	31,260					
Master Plan Update	7,000	7,050							7,050							
Master Plan Update	13,000	13,050								13,050						
NEdPeds**	340,000	345,000								150,000	130,000	65,000				
Future Debt Authorizations	2,623,872															
Debt Authorization 2016 estimate	2,324,000	60%	3,879,058									104,839	209,679	209,679	209,679	209,679
	299,872	60%	499,787													
Total Debt Authorization	3,537,461	998,190	4,378,846													

** Pending

Total Loan Payments			-	3,383	36,060	48,399	172,482	102,557	109,607	260,709	199,993	169,839	209,679	209,679	209,679	209,679
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Ending TIF Balance			22,018	86,446	134,307	190,321	122,478	118,363	148,612	35,608	7,990	19,145	(4,111)	(18,045)	(26,107)	(24,087)
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Reconciliation		
TIF Proceeds	5,453,125	
Tax Collection Costs	76,089	
Debt Authorization 2012	913,589	
Debt Authorization Future	2,623,872	
Interest	1,339,787	
Total Expenditures	4,953,337	4,877,248

**NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY
TIF ANALYSIS**

LIFE OF DISTRICT IN YEARS (TOTAL 30 YEARS)	1-13	14-30	17	18	19	20	21	22	23	24	25	26	27	28	29
YEARS	2006-2018	2019-2035	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Beginning TIF Balance			(24,087)	(15,717)	3,555	25,117	51,304	79,849	113,159	148,899	189,547	232,699	280,907	331,694	385,086
			<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
TIF Receipts (Projected*)	1,322,731	4,130,394	221,369	232,438	234,762	239,458	241,852	246,689	249,156	254,139	256,681	261,814	264,432	267,077	269,747
<i>* Projections are estimated based on future business activity</i>			3%	5%	1%	2%	1%	2%	1%	2%	1%	2%	1%	1%	1%
Tax Collection Costs			3,321	3,487	3,521	3,592	3,628	3,700	3,737	3,812	3,850	3,927	3,966	4,006	4,046
Adjusted Tax Receipts			218,049	228,951	231,241	235,866	238,224	242,989	245,419	250,327	252,830	257,887	260,466	263,070	265,701

	Loan Disbursements	Loan Payments w/Interest	Loan Payments w/Interest													
Debt Authorization 2012	913,589															
Mutual of Omaha Loan	51,500	105,331														
Tractor	19,589	19,590														
Loan 1 - Town	248,500	265,596														
Sidewalk Phase 1	80,000	80,224														
NEdPeds	37,000	37,309														
NEdPeds	117,000	125,040														
Master Plan Update	7,000	7,050														
Master Plan Update	13,000	13,050														
NEdPeds**	340,000	345,000														
Future Debt Authorizations	2,623,872															
Debt Authorization 2016 estimate	2,324,000	60% 3,879,058	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679
	299,872	60% 499,787														
Total Debt Authorization	3,537,461	998,190	4,378,846													

** Pending																
Total Loan Payments			209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679	209,679

Ending TIF Balance			(15,717)	3,555	25,117	51,304	79,849	113,159	148,899	189,547	232,699	280,907	331,694	385,086	441,108
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Reconciliation																
TIF Proceeds	5,453,125															
Tax Collection Costs	76,089															
Debt Authorization 2012	913,589															
Debt Authorization Future	2,623,872															
Interest	1,339,787															
Total Expenditures	4,953,337	4,877,248														

**NEDERLAND DOWNTOWN DEVELOPMENT AUTHORITY
TIF ANALYSIS**

LIFE OF DISTRICT IN YEARS (TOTAL 30 YEARS)	1-13	14-30	30
YEARS	2006-2018	2019-2035	2035

Beginning TIF Balance			441,108
			<i>Forecast</i>
TIF Receipts (Projected*)	1,322,731	4,130,394	272,445
<i>* Projections are estimated based on future business activity</i>			1%
Tax Collection Costs			4,087
Adjusted Tax Receipts			268,358

	Loan Disbursements	Loan Payments w/Interest	Loan Payments w/Interest	
Debt Authorization 2012	913,589			
Mutual of Omaha Loan	51,500	105,331		
Tractor	19,589	19,590		
Loan 1 - Town	248,500	265,596		
Sidewalk Phase 1	80,000	80,224		
NEdPeds	37,000	37,309		
NEdPeds	117,000	125,040		
Master Plan Update	7,000	7,050		
Master Plan Update	13,000	13,050		
NEdPeds**	340,000	345,000		
Future Debt Authorizations	2,623,872			
Debt Authorization 2016	2,324,000	60%	3,879,058	209,679
estimate	299,872	60%	499,787	
Total Debt Authorization	3,537,461	998,190	4,378,846	

** Pending

Total Loan Payments				209,679
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Ending TIF Balance				499,787
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Reconciliation				
TIF Proceeds	5,453,125			
Tax Collection Costs	76,089			
Debt Authorization 2012	913,589			
Debt Authorization Future	2,623,872			
Interest	1,339,787			
Total Expenditures	4,953,337	4,877,248		

HISTORY AND PREVIOUS BOARD ACTION:

In 2005, DDA voters approved the DDA district. A 5-mill property tax levy for the district was also approved at that time for seven years.

In 2012, DDA voters approved an extension of the 5-mill levy to 2019, as well as debt authorization to support the NedPeds pathways project set for completion this year, as well as updating of the DDA Master Plan and other projects and programs. Much of the approved expenditures from the 2012 debt authorization have been expended or will be in 2016.

ATTACHMENTS:

- 1) Board of Trustee Resolution, approving ballot language for the DDA debt authorization on the April 2016 ballot
- 2) Project alternatives, for inclusion in the debt authorization
- 3) Financial analysis

FINANCIAL CONSIDERATIONS:

See attached for the various financial scenarios.

The DDA will access its tax increment financing tool (TIF) to repay debt incurred for project, a requirement for use of TIF funds. This may be via loans or bonds. The DDA does not have a bond rating, as it has not taken out bonds, but the Town of Nederland maintains a prime bond rating (A2) on its 2003 general obligation bond for the Community Center, and would allow for favorable lending conditions.

Without approval of the debt authorization for projects stemming from the Master Plan update, the DDA would not be able to develop future initiatives until a future election approval.