

MHGP – Adoption of the Master Development Agreement

April 18, 2016



Agenda



- Steps since February 1
- Discussion of current status
- Next steps

Review of Feb 1 Council Meeting

- Review of the MDA process
- Overview of the major MDA dealpoints
- Discussion of proposed change with school district TIF share-back
- Comments by a new residential developer, DelWest
- Council voted to continue case until 3/14 so ACSD 14 input could be gathered

Discussion with ACSD 14



- District acknowledges this type of development would add students, especially to Central Elementary
- District is supportive of the project keeping TIF on both commercial and residential, provided...
- District would like to maintain the fee-lieu of land dedication
- Developers provide a voluntary contribution to support a modular type of classroom space at Central that includes water (an additional ERU)
- Should the district pass an additional levy for a bond or override election, the new mill amounts be part of the district tax base

MDA – Amended Language

ACSD 14



New MDA Language

“Incremental Property Taxes” means, for each Fiscal Year subsequent to the creation of and Effective Date of Allocation for each respective Property Tax Increment Area, certain Property Tax Revenues in excess of the Property Tax Base Amount; provided, however, that (a) such amount shall be reduced by any lawful collection fee charged by the City or Adams County; and (b) in the event of a general reassessment of taxable property in the Urban Renewal Area, Incremental Property Taxes shall be proportionately adjusted in the manner required by the Act. The Incremental Property Taxes shall include Property Tax Revenue from all taxing entities on the records of Adams County for the Property with the exception of: (1) all the mill levy received by the Fire District 4 South Adams as applied to all property within the Urban Renewal Area, and (2) the mill levy received by Adams County School District 14 as applied only to any property within the Urban Renewal Area which is assessed by the County Assessor as residential property, unless one or more intergovernmental agreements are entered into between the Authority and Adams County School District 14 under which all or a portion of the mill levy received by Adams County School District 14 is included as Incremental Property Taxes.

Timeline since Feb 1



- **Feb 1** – MDA approval continued
- **Feb 3** – REGen re-runs pro-forma, and creates a new term sheet for DelWest
- **Feb 11** – Joint meeting with City, REGen, DelWest
- **Feb 18** – City staff meets with ACSD 14
- **Feb 26** – DelWest provides a 1st draft LOI to REGen
- **Mar 14** – Council meeting, continue case to April 18
- DelWest and REGen have been in negotiations since

URA Process



With any sub-developer, the following steps will have to occur to be consistent with state law:

1. MDA Approval
2. Competitive Process
3. Additional URA steps as required by HB 1348
4. URA plan approval
5. URA then has the ability to dispose of property

Options for Council



- A. Approve the MDA as written – MDA in packet has four changes from the Feb. 1 MDA version:
1. Definition of “Incremental Property Taxes” related to the school district.
 2. Add “approximately” and “anticipated to be” to the definitions of Parcels, Property and Urban Renewal Area to allow greater flexibility if certain parcels end up being excluded from the TIF as a result of other financing schemes such as Low Income Housing Tax Credits (LIHTC)
 3. Revisions the schedule - Exhibit B to Exhibit C Development Plan of MDA
 4. Section 13.5 of the MDA regarding either party being able to terminate the MDA if the Urban Renewal Plan is not approved
- B. Direct staff to work with REGen on alternative MDA to incorporate financing scheme to allow for LIHTC

Options

- Comments by REGen LLC

Q & A

- Questions?