

**FINANCE DEPARTMENT MEMORANDUM
#09-2019**

DATE: August 12, 2019

TO: Honorable Mayor Antonio B. Esquibel and City Council Members

THROUGH: Heather Geyer, City Manager *hmg*

FROM: Jason Loveland, Director of Finance *12*

SUBJECT: CR-96 – Intergovernmental Cooperation Agreement – Future Urban Renewal Project Financing

PURPOSE

City Council is considering a cooperation agreement with the Northglenn Urban Renewal Authority (NURA) regarding the City's potential financial support of future projects within NURA boundaries.

BACKGROUND

As the City and NURA embark on executing the Civic Campus Master Plan, various financing strategies have been considered to best utilize the financial resources of the government. This agreement recognizes the \$11 million commitment of NURA leveraging its Tax Increment Revenue (TIF) for infrastructure expenses of the project. This investment enhances the ability to eliminate blight and encourages private development on the site as outlined in the master plan.

STAFF RECOMMENDATION

Attached to this memorandum is a resolution which, if approved, will authorize the Mayor to execute the Intergovernmental Cooperation Agreement – Future Urban Renewal Project Financing with NURA. Staff recommends approval of CR-96.

NEXT STEPS

If approved by City Council, NURA will be asked to take action on the agreement at their August 14, 2019 meeting.

STAFF REFERENCE

If Council members have any comments or questions they may contact Jason Loveland at jloveland@northglenn.org or at 303.450.8817.

CR-96 – Intergovernmental Cooperation Agreement – Future Urban Renewal Project Financing
Intergovernmental Cooperation Agreement

SPONSORED BY: MAYOR ESQUIBEL

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-96
Series of 2019

Series of 2019

A RESOLUTION APPROVING A COOPERATION AGREEMENT BETWEEN THE CITY OF NORTHGLENN AND THE NORTHGLENN URBAN RENEWAL AUTHORITY CONCERNING FUTURE URBAN RENEWAL PROJECT FINANCING

WHEREAS, Section 18(2)(a) of Article XIV of the Colorado Constitution, as well as Section 29-1-201, et seq., specifically 29-1-203, C.R.S., authorize and encourage governments to cooperate by contracting with one another to their mutual benefit;

WHEREAS, Colorado's Urban Renewal Law, C.R.S. § 31-25-101 et seq., specifically 31-25-112, expressly authorizes municipalities and urban renewal authorities to cooperate on urban renewal activities as set forth in this Agreement;

WHEREAS, after the formation of the Northglenn Urban Renewal Authority (NURA) in 1990, the City of Northglenn and NURA (the "Parties") entered into a series of cooperative agreements to further the goals of both Parties and to facilitate the effectiveness of urban renewal activities within the City; and

WHEREAS, the Parties now desire to enter into a separate Cooperation Agreement concerning how the Parties will cooperate to fund future urban renewal projects.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Cooperation Agreement – Future Urban Renewal Project Financing between the City of Northglenn and the Northglenn Urban Renewal Authority, attached hereto as Exhibit A, is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

DATED at Northglenn, Colorado, this ____ day of _____, 2019.

ANTONIO B. ESQUIBEL
Mayor

ATTEST:

APPROVED AS TO FORM:

JOHANNA SMALL, CMC
City Clerk

COREY Y. HOFFMANN
City Attorney

**INTERGOVERNMENTAL COOPERATION AGREEMENT – FUTURE URBAN
RENEWAL PROJECT FINANCING**

THIS INTERGOVERNMENTAL COOPERATION AGREEMENT – FUTURE URBAN RENEWAL PROJECT FINANCING (the "Agreement "), dated as of the _____ day of _____, 2019, is entered into by and between the City of Northglenn, Colorado (the "City"), a home rule municipal corporation of the State of Colorado, and the Northglenn Urban Renewal Authority, a Colorado urban renewal authority (the "Authority") (individually a "Party" and collectively, the "Parties").

RECITALS:

A. The City and the Authority entered into an Intergovernmental Cooperation Agreement dated July 8, 2010, which was amended in May of 2017 (collectively with amendments, the "Initial Cooperation Agreement");

B. The City and the Authority now desire to enter into this separate Agreement concerning how the Parties will cooperate to fund future urban renewal projects, if City participation is necessary;

C. This Agreement is not intended to affect the Initial Cooperation Agreement, which shall remain in full force and effect;

D. This Agreement is being entered into to support the Authority's continued undertakings and activities pursuant to its urban renewal plans and to provide a potential additional source of financing for the Authority after the Authority pledges approximately \$11 million of tax increment financing revenues to fund public infrastructure through the issuance of bonded indebtedness for the development of the City's planned new civic center (the "Civic Center Project");

E. Without the Authority's \$11 million contribution, the City would be required to fund all the public infrastructure for the Civic Center Project itself and would lack funding for additional planned Civic Center improvements, including without limitation, a new City hall;

F. It is the intent of the Parties that the City allocate the \$11 million in savings it will realize towards Civic Center improvements, which may include a new City hall, and not for purposes unrelated to the Civic Center Project;

G. The Parties acknowledge that the Authority's funding of components of the Civic Center Project may impact the Authority's ability to undertake future urban renewal activities;

H. The Parties desire that the City, in recognition of the Authority's contribution to the Civic Center Project, consider providing the Authority with funding for future undertakings and activities so that the Authority may continue to improve the conditions in the City as contemplated by the Colorado Urban Renewal Law and the Authority's urban renewal plans; and

I. While recognizing that City funding decisions remain in the sole discretion of the Northglenn City Council, the Parties acknowledge that the Authority's Commissioners strongly desire to maintain the Authority's future ability to undertake urban renewal activities in the City of

Northglenn and the City's representation that it will seriously consider funding future urban renewal undertakings and activities at the request of the Authority has been a critical factor in the decision by the Authority to contribute such a substantial amount to the Civic Center Project.

NOW, THEREFORE, in consideration of the foregoing recitals and the following terms and conditions, the City and the Authority hereby agree as follows:

Section 1. Cooperation. If, in return for the Authority's issuance of bonds to fund portions of the City's Civic Center Project, the Authority determines it needs funding other than that available to it from tax increment financing or other revenue sources, the Authority may submit a request to the City Council for funding from the City. The City, in good faith, shall review funding requests by the Authority for future undertakings and activities the Authority desires to pursue under to its current or future urban renewal plans, and shall consider providing City funds to the Authority.

Section 2. Funding Terms. Upon receipt of a funding request from the Authority, the City Council shall consider all available funding sources and terms, including without limitation, grants, loans, sales tax share back pursuant to Article 12 of Chapter 5 of the Northglenn Municipal Code, and in-kind contributions. Any decision to provide funding shall be made by the City Council, in its sole discretion. Both Parties must approve the terms of any funding.

Section 3. Miscellaneous.

A. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Adams County, Colorado.

B. No Waiver. Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement shall not constitute a waiver of any of the other terms or obligation of this Agreement.

C. Integration. This Agreement and any attached exhibits constitute the entire Agreement between the Parties, superseding all prior oral or written communications.

D. Third Parties. There are no intended third-party beneficiaries to this Agreement.

E. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

F. Modification. This Agreement may only be modified upon written agreement of the Parties.

G. Assignment. Neither this Agreement nor any of the rights or obligations of the Parties hereto, shall be assigned by either party without the written consent of the other.

H. Governmental Immunity. The Parties, their officers, and employees, are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado

Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to them and their officers or employees.

I. Rights and Remedies. The rights and remedies of either Party under this Agreement are in addition to any other rights and remedies provided by law. The expiration of this Agreement shall in no way limit either Party's legal or equitable remedies, or the period in which such remedies may be asserted.

J. Subject to Annual Appropriations. Any financial obligations of a Party not performed during the current fiscal year are subject to annual appropriation, and thus any obligations of the either Party hereunder shall extend only to monies currently appropriated and shall not constitute a mandatory charge, requirement or liability beyond the current fiscal year.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

CITY OF NORTHGLENN, COLORADO

ANTONIO B. ESQUIBEL
Mayor

ATTEST:

APPROVED AS TO FORM:

JOHANNA SMALL, CMC
City Clerk

COREY Y. HOFFMANN
City Attorney

NORTHGLENN URBAN RENEWAL
AUTHORITY

ROSIE GARNER
Chair

ATTEST:

APPROVED AS TO FORM:

DEBBIE TUTTLE
Executive Director

JEFF PARKER
Board Attorney