

## EXHIBIT A to RESOLUTION NO. 136

### Fort Collins Urban Renewal Authority (URA) Budget Message Fiscal Year 2025 Budget

#### Budget Features

The URA's 2025 budget is comprised of the budgets for the URA's current plan areas and associated districts, known as the North College District, the Prospect South District, the Foothills District, and the Drake & College District. The budget includes revenues from property and sales tax increment (where applicable), interest earned on investments, and expenses which include general operations, project obligations and debt service payments.

The URA aims to deliver services which achieve the objectives specified by the individual urban renewal plans for each of the four districts. These include:

- To facilitate redevelopment and new development by private enterprise through cooperation among developers and public agencies to plan, design, and build needed improvements
- To address and remedy conditions in the area that impair or arrest the sound growth of the City
- To implement the City's Comprehensive Plan and its related elements
- To redevelop and rehabilitate the plan area in a manner which is compatible with and complementary to unique circumstances in the area
- To effectively utilize undeveloped and underdeveloped land
- To improve pedestrian, bicycle, and vehicular circulation and safety
- To ultimately contribute to increased revenues for all taxing entities
- To encourage the voluntary rehabilitation of buildings, improvements and conditions
- To facilitate the enforcement of the laws and regulations applicable to the plan area
- To watch for market and/or project opportunities to eliminate blight, and when such opportunities exist, to act within the financial, legal and political limits of the URA to acquire land, demolish and remove structures, provide relocation benefits, and pursue redevelopment, improvement, and rehabilitation projects.

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*Section H, Item 2.*

#### EXHIBIT A

#### Summary of the Adopted 2025 URA Budgets

##### • North College URA

1) Tax Increment Collections in 2025 are based on the December 2023 certification of the 2023 property tax (that will be collected in 2024). Collections are expected to remain flat between 2024 to 2025.

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2) The Larimer County Fee 2% of tax collections remitted to the County. The 2024 budget is based on the December 2023 certification of the 2023 property tax (that will be collected in 2024) and will remain flat.

3) Operating expenses are budgeted slightly higher in 2025 due to increase in personnel costs, inflationary increases in consulting and legal services and a one-time \$260k appropriation for website and real estate work approved in April 2024 by the URA Board.

4) The Lyric redevelopment agreement will require an estimated \$20k in payments in 2025. Feeders Supply agreement will require an estimated \$6k in payments in 2025.

### • Prospect South URA

1) Tax Increment Collections in 2025 are based on the December 2023 certification of the 2023 property tax (that will be collected in 2024). Collections are estimated to be flat or slightly increased over 2023 actual collections.

2) The Larimer County Fee 2% of tax collections remitted to the County. The 2024 budget is based on the August 2023 certification of the 2023 property tax (that will be collected in 2024).

3) The Prospect South General Operations expense is an estimate of staff time and other expenses attributable to the URA which will be reimbursed to the North College URA annually.

### • Foothills Mall URA

1) Tax Increment Collections in 2024 are based on the December 2023 certification of the 2023 property tax (that will be collected in 2024) with a projected a -27% decrease in TIF revenue for 2024.

2) Sales Tax Increment Collections for 2023 were \$807,962. The 2025 Budget is somewhat conservative at \$450,000 due to the Macy's vacancy since 2022 and decreasing revenues noted YTD in 2024.

3) The City keeps 1.5% of the Property Tax increment for administrative costs which will be reimbursed to the North College URA annually.

### • Drake & College District URA

1) Property tax increments collections are forecasted at 0.00 for each year based on the December 2023 TIF Warrant (to be collected in 2024). Collections to date are less than \$5k and there are no expenses anticipated for this URA in 2025.

### **Budgetary Basis of Accounting**

The URA budget and fund financial statements are prepared on the modified accrual basis of accounting.