



Legislation Details (With Text)

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Title: Resolution 64-2019: Approving a first amendment to the Cooperation & Loan Agreement (CLA) with "Littleton Invests For Tomorrow" (LIFT)

Sponsors:

Indexes:

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Attachments: 1. Resolution No. 64-2019, 2. First Amendment to Cooperation and Loan Agreement for LIFT, 3. Boundary Map for Columbine URA, 4. Staff Presentation_Res. 64-2019

Date	Ver.	Action By	Action	Result
11/19/2019	1	City Council	approved	Pass

Agenda Date: 11/19/2019

Subject:

Resolution 64-2019: Approving a first amendment to the Cooperation & Loan Agreement (CLA) with "Littleton Invests For Tomorrow" (LIFT)

Prepared by: Mark Relph, City Manager

PURPOSE: Consider formal changes to the CLA with LIFT based upon the council direction from the November 12th study session.

PRESENTATIONS:

Staff Presenter(s): Mark Relph, City Manager, Reid Betzing, City Attorney

SUMMARY: City council met with the LIFT Board on October 22nd to review and discuss the LIFT proposal for continuing the Columbine Urban Renewal Area (CURA). The council then met at the November 12th study session to consider the October presentation and to evaluate a series of options regarding the mission of LIFT. The council directed staff to prepare an amendment to the CLA that included the following:

- Proceed with the planning of infrastructure improvements and not wait for a commitment from the owners of Columbine Square.
- Payback half of the city loan plus the interest (\$79,443.75) leaving a balance to the loan of \$75,000.
- Return the sales tax increment from the repealed three Urban Renewal Areas (URAs) at \$134,998.00.
- LIFT hires an executive director within 60 days of city formally modifying the loan.
- LIFT to develop and present to council for approval within nine months a plan for using CURA, including project(s) details, budget, financing/bonding information and neighborhood input.
- Upon council approval, begin to execute the plan no later than November 1, 2020.

PRIOR ACTIONS OR DISCUSSIONS:

- October 22, 2019 joint meeting with the LIFT Board
- November 12, 2019 council study session

ANALYSIS:

Staff Analysis

After council direction from November 12th, Human Resources staff (HR) specifically reviewed the timing of the executive director recruitment. Using the 60 days as directed, plus the December and January LIFT Board dates, staff modified the CLA amendment to require an offer of employment be made to the executive director no later than February 1, 2020 and begins work no later than three weeks after the offer. This approach largely meets the intent of the 60 days but allows some flexibility for the holiday season and the LIFT Board schedule.

LIFT Board action is anticipated for:

- Review and approval of the recruitment strategy - December 12th board meeting
- Interviews of the candidates the first two weeks of January, 2020.
- LIFT formal selection of the executive director - likely a special meeting no later than the third week of January. After the board action, some additional work may be required by HR to formalize an offer.
NOTE: The regular board meeting of January 9th may be too soon to complete interviews and the balance of the process.
- Offer made no later than February 1, 2020.

If council wished to hold the 60 days from the date the city modifies the loan (November 19th), the executive director would be expected to begin work on January 19th. The amendment to the CLA does not reflect this approach.

Requiring council review and approval of the LIFT plan, would require a joint meeting with LIFT, followed by formal action at a regular meeting. Using the requirement of nine months for developing a plan, staff has simplified the amendment to reflect a date certain; no later than September 30, 2020. Reviewing council’s tentative calendar would suggest the following dates:

- LIFT and council joint meeting - September 8, 2020 study session (i.e. no special meeting)
- Council consideration and action - September 15, 2020 regular meeting
- LIFT begin to execute the plan no later than November 20, 2020

LIFT could certainly present a plan sooner than the nine months. Some flexibility in scheduling is likely to be necessary.

Amendment Summary to the CLA

This a summary of the changes incorporated within the Amendment to the CLA:

- 2.1 was changed to provide a date in which the City would remit to LIFT the TIF, as the previous agreement was vague.
- 2.2 was changed from first quarter to last quarter to allow for LIFT more time to use the TIF.
- 3.1 was changed to extend the loan until November 17, 2020, which is a council business meeting and approximately 1 year from the proposed approval date of the amendment.
- Added that repayment of the \$75,000 plus interest and the \$134,998 would be done by December 31, 2019 due to the fact that LIFT will need to meet and amend their budget to do so.
- Provided conditions to hire an executive director by February 1, 2020.
- Provided a date of September 30, 2019 to bring to council plans for the use of the funds.

Fiscal Impacts

With the return of the sales tax increment from the past three URAs and half the city loan plus interest, leaves LIFT with the following financial status:

□ Total cash available \$427,739.31

<input type="checkbox"/>	Refund three URAs	<\$134,998.00>
<input type="checkbox"/>	Refund a portion of city loan	< <u>\$ 79,443.75</u> >
<input type="checkbox"/>	REVISED cash balance	\$213,297.56

Alternatives

Staff presented a series of options at the November 12th study session

STAFF RECOMMENDATION:

Staff recommends approval of the First Amendment to the CLA as presented.

PROPOSED MOTION:

I move to approve the First Amendment to the Cooperation and Loan Agreement with “Littleton Invests For Tomorrow” as presented”.