



PARKER AUTHORITY FOR REINVESTMENT AGENDA
December 5, 2022
Immediately following the Adjournment of the Town Council Meeting

1. CALL TO ORDER AND ROLL CALL

2. APPROVAL OF MINUTES

A. November 7, 2022

3. PUBLIC COMMENTS - 3 Minute Limit (No action will be taken on these items.)

4. RESOLUTIONS

A. RESOLUTION NO. 2022-05

A Resolution to Adopt the 2023 Parker Authority for Reinvestment Budget

Staff: Mary Lou Brown, Treasurer

5. ADJOURNMENT

**PARKER AUTHORITY FOR REINVESTMENT
MINUTES
NOVEMBER 7, 2022**

Chair Jeff Toborg called the Parker Authority for Reinvestment meeting to order at 10:57 p.m. All members were present.

APPROVAL OF MINUTES

Todd Hendreks moved to approve the September 6, 2022 minutes.

Joshua Rivero seconded the motion.

A voice vote was taken:

Joshua Rivero – Yes

Cheryl Poage – Yes

Todd Hendreks – Yes

John Diak – Yes

Anne Barrington – Yes

Laura Hefta – Yes

Jeff Toborg – Yes

The motion was approved unanimously.

PUBLIC COMMENTS

None.

RESOLUTIONS

RESOLUTION NO. 2022-04

A Resolution of the Parker Authority for Reinvestment Approving the Development and Financing Agreement between the Town of Parker, The Parker Authority for Reinvestment, and CD Parker, LLC

Staff: Weldy Fezell, Director

On September 6, 2022, the Town and PAR entered into Purchase and Sale Agreements with Confluence Companies, LLC, for the sale of six (6) parcels of real property (the “Parcels”). One of the conditions to close the sale of these Parcels was the approval of a Development Agreement for the development of these Parcels by Confluence Companies. The Development Agreement between the Town, the Parker Authority for Reinvestment and CD-Parker, LLC (“Confluence Companies”) defines the Project, the performance deadlines for obtaining governmental approvals for each Parcel of the Project, the performance deadlines for commencing construction on each Parcel of the Project, the public investment tools to be used to fill the financial gap based on the gap analysis prepared by Economic & Planning Systems, Inc. (the “Consultant”) on behalf of PAR, a cap on the total amount of revenue to be shared from these public investment tools, and specific caps on the period of time that the public investment tools described below will be shared with Confluence Companies.

The Project as described in the Development Agreement provides for the development of each Parcel as follows:

1. East Main Parcel: A mixed-use, multistory development containing 19,000 square feet of commercial retail space; 300 multiple-family dwelling units; and parking as required by the Town Code.
2. Schoolhouse Parcel: A multistory development of 10,000 square feet of retail and office space; building height of up to two (2) stories; and parking as required by the Town Code.
3. PAR Parcel: A multistory development of 28,000 square feet of commercial retail and office space; and parking as required by the Town Code.
4. PACE Lot 2A Parcel and the PACE Lot 2B Parcel: A mixed use multistory development of the PACE Lot 2A Parcel and the PACE Lot 2B Parcel, which includes: 36,000 to 50,000 square feet of commercial retail; at least one (1) restaurant with outdoor seating; one (1) public plaza with amenities that may span both PACE Parcels; 120 multifamily residential dwelling units that are designed, constructed and platted as condominiums; and parking as required by the Town Code.
5. Pine Curve Parcel: a mix of 1-story to 4-story buildings that include in the aggregate 154 apartment/residential units and 28,500 to 34,000 square feet of commercial retail. The development will also include a 10-acre park, open space and buffer to the Parker Vista neighborhood.
6. Parking Garage: 3- or 4-story garage to replace the parking that will be eliminated on the PACE Lots 2A and 2B. Construction of the Parking Garage will proceed concurrently with the development of the East Main Parcel. Development of the PACE Lots 2A and 2B will not commence until the Parking Garage is constructed, provided that the Town Council authorizes the construction of the Parking Garage prior to December 31, 2026.

PAR's Consultant prepared a gap analysis for the Project (the "GAP Analysis"), which analyzed the cost of the Project, the overall Project return and a reasonable rate of return to Confluence Companies for developing the Project, with consideration given to current financial conditions and the associated level of risk. The Consultant concluded that the Project is not financially feasible without public investment to fill the financial gap (the "Financial Gap"). The Financial Gap for the Project is \$57,300,000. The public investment used in the GAP Analysis to fill the Financial Gap is a combination of property tax increment (through PAR-87.485 mills), sales tax share back (2.5%, which excludes 0.5% for Parks), Public Improvement Fee (2%), and general improvement district revenues (45 mills). The proposed Development Agreement contains a "windfall" provision, which is intended to protect the Town and PAR from the Developer enjoying the benefits of the public investment tools, and then selling components of the Project for a high rate of return – essentially using the public investment tools to receive a disproportionate profit.

The Project represents the private sector investment contribution to Mainstreet placemaking. The Project's value of placemaking extends beyond direct financial investment. Through actions that bring activity to public and private spaces, stimulate reinvestment in properties and streetscapes, improve business viability and public safety, placemaking investments also bring residents together to gather, celebrate, and create. Placemaking is the difference between merely providing housing and retail establishments and instead developing a clear local identity that is

unique, memorable, and desirable. Through placemaking efforts, the Project will enhance the brand that is Mainstreet Parker, which, in turn, sustains existing businesses and investment, fosters reinvestment, and creates local economic resiliency.

Public Comment: None.

Todd Hendreks moved to approve Resolution No. 2022-04.

Anne Barrington seconded the motion.

A roll call vote was taken:

Joshua Rivero - Yes

Cheryl Poage - No

Todd Hendreks - Yes

John Diak - Yes

Anne Barrington - Yes

Laura Hefta - Yes

The motion was approved on a 5-1 vote with Cheryl Poage opposing.

ADJOURNMENT

Joshua Rivero moved to adjourn the meeting at 11:00 p.m.

Todd Hendreks seconded the motion.

A roll call vote was taken:

Joshua Rivero – Yes

Cheryl Poage – Yes

Todd Hendreks – Yes

John Diak – Yes

Anne Barrington - Yes

Laura Hefta – Yes

Jeff Toborg – Yes

The motion was approved unanimously.

Susan L. Irvine, Deputy Clerk

Jeff Toborg, Chair



Request for Authority Board Action

Date: December 5, 2022
Submitted By: Mary Lou Brown, Treasurer
Reviewed By: Michelle Kivela, Executive Director
Title: **RESOLUTION NO. 2022-05**
A Resolution to Adopt the 2023 Parker Authority for Reinvestment Budget
Staff: Mary Lou Brown, Treasurer

EXECUTIVE SUMMARY

The Parker Authority for Reinvestment (PAR) 2023 Budget is presented in summary, followed by a breakdown for the three taxing districts.

STAFF RECOMMENDATION

Approve

BACKGROUND/DISCUSSION

The PAR 2023 budget reflects ongoing revenue growth; however, the repeal of the Gallagher amendment in 2020 paved the way for reduced residential assessment rates. The state legislature reduced the assessment rates for certain property types, including commercial and multi-family residential, by varying amounts between 2022 and 2024. While commercial properties make up the bulk of the three tax districts, reduced assessment rates across the board will have an impact on revenues.

Major activities for 2023 include the continuation of the infrastructure and placemaking projects for which financing was obtained in 2020. The Pilgrim's Place sidewalk project is continuing, and the Beckett Drive project is starting. Individual project costs are budgeted in the Town's Public Improvement Fund using the loan proceeds that were transferred to the Town from PAR.

PAR is also leading the ongoing project with a local contractor on the development of the My Mainstreet Project. PAR owns one of the parcels included in the proposed development and will be contributing some future funding for the project.

FINANCIAL IMPACT

The 2023 Budget includes \$5.3 million in revenue and \$3.8 million in appropriations, resulting in an ending cash balance of \$11.0 million.

ATTACHMENTS

1. PAR Reso and Ex A

RECOMMENDED MOTION

I move to approve Resolution No. 2022-05.

PAR RESOLUTION NO. 2022-05

TITLE: A RESOLUTION TO ADOPT THE 2023 BUDGET FOR THE PARKER AUTHORITY FOR REINVESTMENT AND TO MAKE APPROPRIATIONS FOR THE SAME

WHEREAS, upon due and proper notice, posted in accordance with the Local Government Budget Law, said proposed budget was open for inspection by the public at the Parker Town Hall, and a Public Hearing was held on December 5, 2022 and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Parker Authority for Reinvestment that:

Section 1. The 2023 budget for the Parker Authority for Reinvestment, which is attached hereto as **Exhibit A** and incorporated by this reference, is hereby adopted and monies are appropriated as the same are budgeted.

Section 2. The budget herein approved shall be signed by the Chair and Clerk and made part of the public records of the Parker Authority for Reinvestment.

RESOLVED AND PASSED on the _____ day of _____, 2022

Jeff Toborg, Chair

ATTEST:

By: _____
Chris Vanderpool, Clerk

Parker Authority for Reinvestment Summary

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Beginning Fund Balances	\$ 1,135,886	\$ 2,583,098	\$ 5,424,033	\$ 7,259,504	\$ 7,259,504	\$ 9,528,131	70%
Revenues							
Parker Central Tax District	1,234,405	1,753,954	2,363,594	2,900,000	2,900,000	3,132,000	26%
Cottonwood Tax District	926,501	1,534,654	1,515,031	1,650,000	1,650,000	1,485,000	13%
Parker Road Tax District	348,439	566,591	564,565	710,000	710,000	702,900	19%
Loan Proceeds	-	20,935,000	-	-	-	-	n/a
Interest	1,010	775	-	-	-	-	n/a
Total Revenues	\$ 2,510,355	\$ 24,790,974	\$ 4,443,190	\$ 5,260,000	\$ 5,260,000	\$ 5,319,900	21%
Expenditures							
Supplies	1,091	357	279	1,500	120	1,500	8%
Purchased Services	684,839	21,289,452	619,665	1,141,426	933,776	970,983	9%
Utilities/Insurance	16,073	13,712	17,157	16,800	16,800	17,500	2%
Debt Services	-	257,748	1,633,060	1,577,820	1,577,820	1,576,105	n/a
Contributions	361,140	388,770	337,559	992,000	462,857	1,240,897	36%
Total Expenditures	\$ 1,063,143	\$ 21,950,039	\$ 2,607,720	\$ 3,729,546	\$ 2,991,373	\$ 3,806,985	38%
Ending Fund Balances	\$ 2,583,098	\$ 5,424,033	\$ 7,259,504	\$ 8,789,958	\$ 9,528,131	\$ 11,041,046	44%

Exhibit A

Parker Central Tax District

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Revenues							
Parker Central Tax District	\$ 1,234,405	\$ 1,753,954	\$ 2,363,594	\$ 2,900,000	\$ 2,900,000	\$ 3,132,000	26%
Loan Proceeds	-	12,855,000	-	-	-	-	n/a
Interest	1,010	775	-	-	-	-	n/a
Total Revenues	\$ 1,235,415	\$ 14,609,729	\$ 2,363,594	\$ 2,900,000	\$ 2,900,000	\$ 3,132,000	26%
Expenditures							
Supplies	441	119	93	500	100	500	3%
Purchased Services	311,800	12,967,705	253,746	572,342	458,242	526,551	14%
Utilities/Insurance	6,005	5,232	6,397	6,200	6,200	6,500	2%
Debt Services	-	143,996	1,025,396	1,027,780	1,027,780	1,024,936	n/a
Contributions	213,726	268,828	305,036	902,000	412,857	915,897	44%
Total Expenditures	\$ 531,972	\$ 13,385,880	\$ 1,590,668	\$ 2,508,822	\$ 1,905,179	\$ 2,474,384	47%
Beginning Fund Balance	933,058	1,636,501	2,860,350	3,633,276	3,633,276	4,628,097	49%
Revenue Over (Under) Exp	703,443	1,223,849	772,926	391,178	994,821	657,616	-2%
Ending Fund Balance	\$ 1,636,501	\$ 2,860,350	\$ 3,633,276	\$ 4,024,454	\$ 4,628,097	\$ 5,285,713	34%

Cottonwood Tax District

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Revenues							
Cottonwood Tax District	\$ 926,501	\$ 1,534,654	\$ 1,515,031	\$ 1,650,000	\$ 1,650,000	\$ 1,485,000	13%
Loan Proceeds	-	8,080,000	-	-	-	-	n/a
Total Revenues	\$ 926,501	\$ 9,614,654	\$ 1,515,031	\$ 1,650,000	\$ 1,650,000	\$ 1,485,000	13%
Expenditures							
Supplies	325	119	93	500	-	500	11%
Purchased Services	190,460	8,168,509	190,088	322,542	301,742	214,431	3%
Utilities/Insurance	5,034	4,240	5,380	5,300	5,300	5,500	2%
Debt Services	-	113,752	607,664	550,040	550,040	551,169	n/a
Contributions	147,414	113,692	-	30,000	-	275,000	17%
Total Expenditures	\$ 343,233	\$ 8,400,312	\$ 803,225	\$ 908,382	\$ 857,082	\$ 1,046,600	32%
Beginning Fund Balance	368,384	951,652	2,165,994	2,877,800	2,877,800	3,670,718	78%
Revenue Over (Under) Exp	583,268	1,214,342	711,806	741,618	792,918	438,400	-7%
Ending Fund Balance	\$ 951,652	\$ 2,165,994	\$ 2,877,800	\$ 3,619,418	\$ 3,670,718	\$ 4,109,118	44%

Exhibit A

Parker Road Tax District

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Revenues							
Parker Road Tax District	\$ 348,439	\$ 566,591	\$ 564,565	\$ 710,000	\$ 710,000	\$ 702,900	19%
Total Revenues	\$ 348,439	\$ 566,591	\$ 564,565	\$ 710,000	\$ 710,000	\$ 702,900	19%
Expenditures							
Supplies	325	119	93	500	20	500	11%
Purchased Services	182,579	153,238	175,831	246,542	173,792	230,001	6%
Utilities/Insurance	5,034	4,240	5,380	5,300	5,300	5,500	2%
Debt Services	-	-	-	-	-	-	n/a
Contributions	-	6,250	32,523	60,000	50,000	50,000	n/a
Total Expenditures	\$ 187,938	\$ 163,847	\$ 213,827	\$ 312,342	\$ 229,112	\$ 286,001	11%
Beginning Fund Balance	(165,556)	(5,055)	397,689	748,427	748,427	1,229,315	n/a
Revenue Over (Under) Exp	160,501	402,744	350,738	397,658	480,888	416,899	27%
Ending Fund Balance	\$ (5,055)	\$ 397,689	\$ 748,427	\$ 1,146,085	\$ 1,229,315	\$ 1,646,214	n/a