

AGENDA
LAKEWOOD REINVESTMENT AUTHORITY
480 S. ALLISON PARKWAY, 80226
CITY OF LAKEWOOD, COLORADO
VIRTUAL MEETING
SEPTEMBER 18, 2023
7:00 PM

**OR IMMEDIATELY FOLLOWING
THE CITY COUNCIL STUDY SESSION**

To watch the Council meeting live, please use either one of the following links:
City of Lakewood Website: [Lakewood.org/CouncilVideos](https://lakewood.org/CouncilVideos)

or

Lakewood Speaks: Lakewoodspeaks.org

How to Connect to provide Public Comment:

By Computer: <https://lakewood.zoom.us/j/83620828098>

By iPad, iPhone, or Android device on the Zoom App, enter webinar ID: **836 2082 8098**

By Telephone: **720-707-2699**

Webinar ID: **836 2082 8098, #**

Participant ID: **#**

Press *9 to Request to Speak, you will be prompted when to speak.

Press *6 to Unmute

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In accordance with City Council Policy 5.1(A), all virtual meeting participants are advised that technological issues, whether caused by the City's equipment or the user's equipment, shall not be grounds for cancelling a public meeting.

ITEM 1 – CALL TO ORDER

ITEM 2 – ROLL CALL

**ITEM 3 – PRESENTATION – LAKEWOOD REINVESTMENT AUTHORITY
REVISED 2023 AND PROPOSED 2024 BUDGET**

PUBLIC INPUT

ITEM 4 – ADJOURNMENT

STAFF MEMO

DATE OF MEETING: SEPTEMBER 18, 2023 / AGENDA ITEM NO. 4

To: Mayor and City Council
From: Robert Smith, Economic Development Director
Subject: **Presentation of the Lakewood Reinvestment Authority (LRA) Revised 2023 and Proposed 2024 Budget**

SUMMARY STATEMENT: Staff will present an overview of the proposed annual 2024 budget and the revised annual 2023 budget for the Lakewood Reinvestment Authority.

BACKGROUND INFORMATION: The members of the Lakewood Reinvestment Authority have been provided a copy of the 2023 Revised and 2024 Proposed Annual Budget.

BUDGETARY IMPACTS: There is no budget impact associated with the presentation as the study session will be used to provide budgetary information and address questions.

STAFF RECOMMENDATIONS: Staff recommends the Board review the provided budget document and provide any specific questions in advance, so thoughtful answers may be researched and responded to suitably.

ALTERNATIVES: The Board may forgo or delay this presentation

PUBLIC OUTREACH: This item has been promoted through the regular communication channels to be considered by the Lakewood City Council.

NEXT STEPS: The 2023 Revised and 2024 Proposed Budget for the Lakewood Reinvestment Authority will be presented for discussion and final action by the Authority at a meeting scheduled on October 23, 2023.

ATTACHMENTS: None

REVIEWED BY: Kathleen E. Hodgson, City Manager
Benjamin B. Goldstein, Deputy City Manager
Alison McKenney Brown, City Attorney

Lakewood Reinvestment Authority: 2023 Revised Questions and 2024 Budget Questions

Councilor Janssen:

Creekside Shopping Center:

1. The reimbursement agreement with Creekside (Wal-Mart) is supposed to terminate 8/9/24 or when reimbursement is complete.
The termination date is the earlier of 8/9/24 or when the reimbursement is complete.

2. The column titled 2022 Amount of Tax Shared With Developer shows \$1,482,206. Did Creekside get reimbursed \$1,482,206 or \$482,206?
Creekside was reimbursed \$1,482,206 per the ACFR. This amount is 100% of the increment after the \$1M amount due to the City of Lakewood.

3. I think the original repayment to Creekside was generated from sales tax, property tax, and the Public Improvement Fee? Please let me know if that’s right.
The Lakewood Reinvestment Authority (LRA) receives incremental sales tax and property tax. Annually, \$1M is paid to the City. The City collects Public Improvement Fees (PIF) for the developer and remits the fees to the LRA. The LRA in turn remits the remaining incremental tax and PIF to the developer. The “Amount of Tax Shared with Developer” in the table below only includes the incremental taxes and not the PIF.

4. I’d like to know how much Creekside (Wal-Mart) has been reimbursed as of now and how much is outstanding?
As of 12/31/2022, \$20M has been reimbursed with \$4.3M remaining on the original \$24.3M.

5. Is there a year by year listing with the sales and property tax, and PIF amounts that were collected from Creekside and the amounts retained by the developer? Some pieces can be put together with LRA budget books but it’d be nice to have something all on one page.

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The Lakewood Reinvestment Authority has agreed to reimburse certain developers for costs incurred in the redevelopment of retail projects within certain urban renewal areas. These reimbursements are payable solely from the property and sales tax increment revenues generated by each project and are not reported as liabilities in the financial statements. Certain fundamentals that are consistent within each of the agreements are noted above under “Economic Development Agreements.”

The sales and use tax revenue and expenditure transactions related to the following agreements are reported in the Lakewood Reinvestment Authority Capital Projects Fund:

Project Name	Maximum Amount Committed To Be Reimbursed Or Waived ⁽¹⁾	Termination Of Reimbursement Obligation ⁽²⁾	Description Of Sharing Arrangement	2022 Amount Of Tax Shared With Developer	Future Contingent Payments Required By Agreement
Beknar	\$120,000,000	9/10/2025	2/3 rd of 3% Sales Tax Rate Waived	\$0	N/A
Creekside Shopping Center (Wal-Mart)	\$24,320,435 ⁽³⁾	8/9/2024	100% of Sales Tax increment in excess of \$1,000,000	\$1,482,206	\$4,369,440

⁽¹⁾ In addition to the sales tax reimbursement or waiver for these projects, a public improvement fee (instituted privately by the developer) contributes to the overall reimbursement amount.
⁽²⁾ The reimbursement will be terminated on the termination date, or whenever the reimbursement
⁽³⁾ Does not include interest and ancillary hard and soft costs.

The below table lists the incremental sales tax, incremental property taxes, and the PIF amounts year by year. The Developer Reimbursement amount includes sales and property taxes per the ACFR from 2007-2022. Prior to 2007, there was not a requirement to report on this aspect.

Creekside Shopping Center				
Year	Developer Reimbursement Amounts Per ACFR ⁽¹⁾	Incremental Sales Tax	Incremental Property Tax	PIF
2022	1,482,206	1,060,093	591,854	859,153
2021	1,766,424	1,256,836	544,557	993,026
2020	1,737,616	1,270,117	586,231	975,809
2019	1,849,271	1,303,803	577,625	995,145
2018	1,800,926	1,282,938	510,989	1,000,735
2017	1,669,123	1,253,028	439,346	978,752
2016	1,424,285	1,143,345	449,085	908,388
2015	1,450,506	1,129,468	479,553	883,804
2014	1,474,952	1,117,924	507,446	874,575
2013	1,457,048	1,144,187	497,230	898,343
2012	1,620,984	1,202,429	476,880	947,666
2011	1,610,759	1,201,636	484,439	954,185
2010	1,686,657	1,218,980	499,663	962,935
2009	1,712,719	1,320,921	502,668	1,042,722
2008	1,979,770	1,989,114	473,004	1,528,563
2007	917,939	1,970,044	308,291	1,513,744
2006	-	2,311,079	135,578	1,763,621
2005	-	1,525,441	-	1,186,728
Total	25,641,185 ⁽²⁾	24,701,382	8,064,438	19,267,895

Notes

(1) Prior to 2007, this information was not reported upon in the CAFR.

(2) The total amounts exceed \$24,320,435 as it includes interest and ancillary hard and soft costs.