

## Legislation Text

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**File #:** RES. NO. 16-11, **Version:** 1

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A RESOLUTION APPROVING THE SUMMIT FAIR COMMUNITY IMPROVEMENT DISTRICT BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2017

Issue/Request:

A resolution approving the Summit Fair Community Improvement District Budget for Fiscal Year ending June 30, 2017.

Key Issues:

The Cooperative Agreement with Summit Fair Community Improvement District requires the City to review and approve the District's Annual Budget.

The District has submitted its budget for Fiscal Year 2017 with total revenues of \$1,262,478, which includes \$727,624 from CID Sales Tax and \$534,854 from CID Special Assessments.

The District proposes Expenditures of \$1,262,478, comprised of \$363,812 of EATS payments to the Summit Fair TIF, \$848,666 pledged to pay District Bond Obligations, and \$50,000 retained to pay Administrative Costs of the District.

The 2017 Budget expects a 1.39% increase in both Revenues and Expenditures.

In addition, the District submitted a Budget for Summit Place Project for the Fiscal Year ending June 30, 2017. The District anticipates receiving \$6,786,692 from the Developer of the Summit Place Project during the fiscal year, and, anticipates expenditures of \$6,786,692 for items related to the development of the Summit Place Project Areas (2a and 2b). No CID Sales Tax Revenues, or bond proceeds are projected to be received for the Summit Place Project during the Fiscal Year ending June 30, 2017.

Proposed Committee Motion:

I move to recommend to the City Council approval of a resolution approving the Summit Fair Community Improvement District budget for the Fiscal Year ending June 30, 2017.

Proposed City Council Motion:

I move for second reading.

I move for adoption.

Background:

The District was formed in 2008 to provide funding for infrastructure improvements and other services within

the boundaries of the District. The District utilizes a one percent sales tax and real property special assessment of \$1.24 per square foot of businesses located in the Summit Fair shopping center as revenue sources.

The Cooperative Agreement between the City and Summit Fair Community Improvement District in Section 5.02 requires the District to submit a proposed budget to the City's Finance Director for comments and to obtain approval of the proposed budget by the City prior to its adoption or expenditures of funds included in the budget.

Impact/Analysis:

The budget for Fiscal Year 2017 allocates 50% of CID Sales Taxes to the Summit Fair TIF as Economic Activity Taxes. The budget allocates all but \$50,000 of the remainder of the CID Sales Taxes to the payment of Debt Service on the Summit Fair Community Improvement District Bonds. The \$50,000 is allocated to pay for administrative costs of the District during Fiscal Year 2017.

The District also submitted a Fiscal Year 2017 budget for the Summit Place Project. The District anticipates receiving \$6,786,692 of Developer Advances for costs incurred related to the Summit Place Project in Project Areas 2a and 2b. The major expenditures for Fiscal Year 2017 are expected to be \$3,684,880 for On-Site Improvements, \$2,425,378 for Off-Site Improvements and \$381,953 for Professional Services related to the Summit Place Project.

Conrad Lamb

Staff recommends approval of a resolution approving the Summit Fair Community Improvement District's Fiscal Year 2017 budget.