



## City Council Communication

Meeting Date: June 1, 2020

Requested By: Development Services Department

### **Item Title:**

Consider a resolution authorizing advancement of costs for Urban Renewal Project and certification of expenses for the Downtown Façade Improvement Project Phase III.

### **Explanation:**

This item will formally authorize an internal loan for an Urban Renewal Project using fund balance in the General Fund. Approval of this item will enable the city to receive reimbursement for eligible project expenses from future tax increment revenue.

The costs for grant application assistance associated with the Downtown Façade Improvement Project Phase III (\$3,000) are eligible for TIF reimbursement as the project is included in the Urban Renewal Plan. Advancing funds from the General Fund is being used because the debt associated with the project was not included in the current or previous year's TIF asking for the city, and therefore must be drawn from a fund that has a readily available balance.

Preliminary architectural design costs are also eligible expenses but are not included with this item because those costs were previously authorized as part of Phase II. The grant application for Phase III is due July 31. In the event the grant is awarded, staff will present a follow-up request to Council to advance costs for eligible grant administration, final architectural design, and construction-related expenses.

Staff recommends that City Council approve the resolution as presented.

### **Budget Consideration:**

Project expenses will cash flow using available funds from the city's General Fund - Utility Franchise Fees, which will be transferred to a new project fund 319-5010-6490. Reimbursement of expenses will occur through Tax Increment Financing revenue received in future years if the debt is certified next year by the City Council.

**Attachments:**  
Resolution