

Leadville Urban Renewal Authority

BOARD MEETING MINUTES

April 6, 2023, 5:00 P.M.

Virtual Meeting via Zoom

1. Roll Call

- a. Present: Chair Andrew Purdy, Secretary Mayor Greg Labbe, Treasurer Kayla Marcella, Board Member Max Forgensi
- b. Board Members Absent: Vice-Chair Tracey Lauritzen, Board Member Christian Luna-Leal, Board Member Tim Hill, Board Member Rod Weston
- c. Board Members Dana Greene and Shannon Grant arrived at 5:10 and 5:17, respectively
- d. Also present: City Attorney Linda Michow, paralegal Amelia Schubert-Zhang, CLA Principal Carrie Bartow

2. Study Session:

- a. Because a quorum was not met at 5:00pm, the board moved to a study session and requested reports.
- b. Financial Report from Carrie Bartow, CLA Principal for State and Local Government: Ms. Bartow presented the “LURA TIF Allocation Worksheet as of 4-6-2023,” explaining her calculations, the information she relied on, and her projections for LURA’s finances.

3. Regular Meeting:

- a. Call to Order: After board members Dana Greene and Shannon Grant joined the meeting, a quorum was met and the regular meeting was called to order at 5:18 pm.
- b. Action Items:
 - i. *Resolution 23-03, A Resolution Approving the Payment of Invoices For Professional Accounting Services Rendered By Clifton Larson Allen.* Mayor Labbe moved to approve the resolution to pay CLA. Chair Purdy seconded. The resolution passed unanimously.
- c. Delay of other action items:
 - i. Board Member Shannon Grant had to leave the meeting immediately after the vote on Resolution 23-03, and so, without a quorum, the Board adjourned the regular meeting at 5:25 pm and returned to the Study Session.
 - ii. Approval of Minutes from March 2, 2023 Meeting will be delayed until the next meeting
 - iii. Executive Session (pursuant to C.R.S. Section 24-6-402(4)(e), to develop strategy for negotiations and determine positions relative to negotiations and instruct negotiators regarding City and consultant agreements) will be delayed until a special session can be called next Friday, April 14, 2023, at 2:00 pm.

4. Return to Study Session:

- a. Discussion of CLA’s financial analysis
 - Commissioner Marcella raised the issue of LURA’s unclear financial process, noting that LURA does not have clear procedures for financial transactions or reporting. She requested that a process be created and formalized. She noted also that the approved 2023 LURA

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budget is incorrect and needs amending. The Board discussed amending the budget at the next regular board meeting and agreed to begin the notice procedures for a budget amendment hearing.

- The board discussed the financial implications of CLA's preliminary report. CLA's projections indicated that, if LURA is responsible for full payment of their administrative fees immediately, the entity will not have enough money to fund their administrative costs (including legal fees, accounting consultant fees, bank fees, etc.). The board discussed what revenue-generating development is currently underway, and how much more can be expected. Ms. Bartow requested separate assessed values for the Railyards and the other downtown areas included in the URA, to ensure that LURA does not pay the Railyards developer any increment that should come from the other development areas. Ms. Bartow also noted that LURA's financial reporting does not currently meet the usual audit-worthy standards for public entities, and the City of Leadville is ultimately responsible for this in their annual audit. Ms. Bartow requested that LURA be allowed to submit a comprehensive financial statement to the City in lieu of the usual annual statements for prior years. Mayor Labbe stated that he will relay this request to the City's auditors tomorrow.
- Mayor Labbe requested clarification about how LURA should prioritize its financial obligations. Ms. Bartow noted that LURA is contractually obligated to first share back the increment with the other taxing entities per agreement; then pay the developer agreement; then pay LURA's administrative costs. After these priorities are met, LURA can direct funds to pay back the city or reimburse for other development projects in the target area.
- After discussing possible sources of future growth and development, the Board agreed that a special session is necessary to discuss renegotiating LURA's IGA with the City of Leadville, as well as consider various ways to reduce LURA's costs. Mayor Labbe noted that the current IGA is five years old and outdated; he recommended that a new IGA clarify that the City will support LURA financially. Mayor Labbe stated that the City and LURA are working together on a shared goal, of using this money to reinvigorate and restore Leadville's downtown. The Board agreed to hold a special meeting on Friday, April 14, 2023, at 2:00 pm.

5. Date of Next Meeting: **Special Meeting on Friday, April 14, 2023 at 2:00pm**
6. Date of next Regular Meeting: **Thursday, May 4, 2023, at 6:00pm**
7. The study session was adjourned at 5:57 pm