



MEMORANDUM

Work Session Date: September 28, 2016 at 6:00 p.m.
City Council Chambers
448 East 1st Street, Room 190
City of Salida, Colorado

To: Mayor and City Council

From: Steven R. Rabe, Interim City Administrator

Re: Joint Work Session with City Council and the Natural Resource Center
Development Corporation (NRCDC) Board

Discussion Points

1. NRCDC Considerations

**NRCDC TABOR Compliance Options
City/NRCDC Joint Work Session
(9/21/16)**

- 1. Assume risk of constitutional violation.**
- 2. Payoff with local government municipal reserves +/- dissolution.**
- 3. Voter referendum approving local government debt finance load.**
- 4. Pay lawyers to turn the NRCDC into an exempt Enterprise or other entity.**
- 5. Payoff debt finance load through a phased sale of assets.**
- 6. Payoff debt finance load through a fire sale liquidation.**
- 7. Loan document rights and remedies - lender/borrower distinctions.**

**NRCDC TABOR Compliance Option Considerations
City/NRCDC Joint Work Session
(9/21/16)**

1. **Compliance speed – goal of six to nine months for total compliance.**
2. **Trailing TABOR liability – cost/fee exposure and injunctive relief.**
3. **Trailing debt or other obligations.**
4. **Real property transaction fees and costs – RE broker.**
5. **Other exit transaction fees and costs – legal.**
6. **Retained assets or other net yield residuals.**
7. **Ongoing master developer role.**
8. **NRCDC capitalization.**
9. **NRCDC independence.**
10. **Protection of City’s indemnity rights.**
11. **Belmont LOI.**
12. **Property tax assessment.**
- 13.
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