



Town of Berthoud  
328 Massachusetts Ave.  
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## FACT SHEET

### Guaranty Bank and Trust Building – Purchase for Town Hall Business

#### Background

##### Development Policy 2000 - 2003

- Voter approved 5% growth cap
- Residential and commercial growth grinds to a halt
- Less than 20 building permits per year
- Current residents see decrease in Town services due to lower sales tax collections and reduced development impact fees
- Recovery takes more than 10 years

##### Development Trends 2013-2015

- Average of 108 residential
- Currently 4.7% per year growth rate
- New developments are supported by Town services such as:
  - Development Review
  - Public Works
  - Public Safety

##### Town Hall Condition

- 328 Massachusetts location for 86 years
- Formerly a bank, now used to house all staff except for street crews and recreation
- Office space is filled to capacity
- With coming development, will need to hire more staff to process projects and maintain new or extended services

##### Expanding Town Hall in Long Term Plans

- For some time, elected officials have been aware of the need to expand or relocate Town Hall services to improve residents' and businesses experience with the businesses that take place in Town Hall
- The 2015-2016 Strategic Plan states:
  - Objective #2: Ensure Town facilities are up-to-date to serve community needs.
  - Initiatives
  - Develop a financial strategy for a New Town Hall to accommodate increased municipal services.



## Community Benefits

- Town Hall is the community's "place of business" and provides service to the citizens, the development community, retail and commercial establishments, and all other regional entities.
- "Policy" is set at Town Hall by the Board of Trustees as-well-as
  - Utility Administration
  - Planning and Building services
  - Utility Billing activity
  - Public Safety
  - General Government Administration
  - Finance
  - Economic Development
  - Berthoud Area Transit Services
  - City Clerk's Office
- Central location of the bank building assists with customer service

## Guaranty Bank and Trust Sees Change in Business Climate

- Increase in e-banking
- Decrease in day-to-day customer interaction in a physical space
- They are selling the building to condense facilities and be as nimble as possible

## Agreement Details

- Purchase price: \$2,350,000
- 25,590 square feet of building area
- Bank leases back the full facility for six months (Planning and construction purposes)
- \$16,000 monthly rent (**Town Income**)
- Space requirements and rent amount will be determined in 6 months.
- Bank can lease back a portion of the space.
- Cultura and Edward Jones will continue to lease space on the second floor and contribute around \$100,000 in annual rent. (**Town Income**)
- Paying in cash reduced the price by 8.33%.

## Funding Options

- Impact/expansion fees collected through building permits from development in the community and building fees can be used for the expansion of existing facilities.
- Since the Town has been long overdue for a larger Town Hall, this agreement can be considered an expansion and is eligible to utilize impact/expansion fees.



## Review of Development Impact Fees

- **Who pays them:** Developers and builders
- **Why:** To off set the impacts of their new facilities and infrastructure will have on existing services (new roads, new underground water distribution and waste water removal systems, etc., or growth pays its own way)
- **What services receive impact fees:** Impact fees are collected for specific services: Streets, Parks, General Government Infrastructure (Town Hall as an example), Potable Water, Wastewater, Storm Drainage.
- **How they are spent:** Only funds collected for certain services can be applied to improvements or new facilities (i.e., Street impact fees cannot pay for a Town Hall or Recreation Center)

## Facts to remember:

- No utility fees are being used towards this purchase.
- The money comes from the General Fund Capital Improvement Account; and two developer impact fee funds: the Wastewater Utilities Fund and the Water Utilities Fund.
- No additional taxes will be imposed for this purchase or its ongoing maintenance.

## Timing

- Town Board of Trustees discussed the contract during their March 8 and 22 public meetings.
- The details of this potential agreement were discussed publically as early as possible due to technical and legal purposes.
- Town investments, such as building purchases, can be discussed per Colorado state law, during Trustee executive sessions with the Town Attorney, to determine the best use of public monies for capital investments.
- Once a move in date is confirmed, a Town Hall open house and tour will be announced.

