



# Downtown Redevelopment Authority

415 W 6th Street ■ PO Box 1995 ■ Vancouver, WA 98668-1995

**Thursday, February 15**  
**11:00am**  
**City Hall**

Council Chambers  
415 W 6<sup>th</sup> Street  
Vancouver, WA 98660

## AGENDA

- Call to order** – Jan Robertson, President
  - Roll Call – Krista Liles, Support Staff
  - Excusal of Absence, if needed
- Approval of Minutes (December 21, 2023)** – Jan Robertson, President
- Officer Elections (approval)** – Dan Lloyd, Assistant City Attorney
- Financials: Preliminary Year-end 2023 & January 2024** – Natasha Ramras & Erin Jacobson
- Approval of Claims and Admin Expenses** – Erin Jacobson
- Capital Expenses update** – Natasha Ramras
- Executive Updates** – Natasha Ramras
  - DRA Project Status Update
  - Audit Update
- Asset Manager Report** – Bob Hayward, CHM Warnick
- Hotel Managers Report** – Mike Mcleod, Hilton General Manager
- Executive Session, if needed** – Dan Lloyd

*Community Communications: Commentary will be accepted no later than 24 hours prior to the meeting date. Please send all comments to Krista Liles at <mailto:krista.liles@cityofvancouver.us>.*

## Members

**Jan Robertson**  
*President*

**Kathleen Kee**  
*Secretary/Treasurer*

Dyann Bernatz  
Tom Donovan  
Debi Ewing  
Marc Fazio  
Brad Hutton

## Staff Support

**Natasha Ramras**  
*Executive Director*

**Dan Lloyd**  
*Assistant City Attorney*

**Krista Liles**  
*Senior Support Specialist*

### Financial Management Services

Street Address  
P.O. Box 1995  
Vancouver, WA 98668  
360-487-8437  
TTY: 711  
[cityofvancouver.us](http://cityofvancouver.us)

### Microsoft Teams meeting:

[Click here to join the meeting](#)  
Meeting ID: 274 377 421 997  
**Or call in (audio only)**  
[+1 347-941-5324, 593032339#](tel:+13479415324)  
Phone Conference ID: 593 032 339#

**To request accommodation or other formats, please contact:**

Amanda Delapena | 360-487-8605 | TTY: 711 | [amanda.delapena@cityofvancouver.us](mailto:amanda.delapena@cityofvancouver.us)  
DRA Board Meeting 2.15.24 City of Vancouver



# Downtown Redevelopment Authority

415 W 6th Street ■ PO Box 1995 ■ Vancouver, WA 98668-1995

## Meeting Summary/Meeting Minutes

### Thursday, December 21, 2023

11:00am, City Hall  
415 W 6<sup>th</sup> Street  
Vancouver, WA 98660

#### Board Members Present:

Robertson, Kee, \*Donovan, Fazio, Hutton  
\*Donovan brand new and abstained from voting

#### Commissioners/Board Members Absent:

Copenhaver, Ewing

**Staff Present:** Ramras, Hallvik, Liles, Jacobson

**Guests:** Dyann Bernatz, Mike McLeod (Hilton GM), Andrew Dowie (Hilton), Bob Hayward (CHM Warnick)

## AGENDA

- Call to order** 11:01am – Jan Robertson, President
  - Roll Call – Krista Liles, Support Staff
  - Excusal of Absence – Ewing, \*Copenhaver (\*attempted to attend virtually but had sound/connection issues and left the meeting)
- Approval of Minutes (October 19, 2023)** – *Approved. 1 abstention.*
- Claims and Admin Expenses (approval)** – *Approved. 1 abstention.*
- Review November 2023 Financials** – Jacobson and Ramras provided update as presented in packet. No discussion.
- 2024 Hilton Budget Approval** – SR 12-21-23

## Members

**Jan Robertson**  
*President*

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*Secretary/Treasurer*

Dyann Bernatz  
Tom Donovan  
Debi Ewing  
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DRA Board Meeting 2.15.24 City of Vancouver

- a. **Proposal** – Approve the 2024 Operating and Capital Budgets (AMENDED to reflect a correction in dollar amount from \$21,088,218 to \$21,088,281.). *Approved as amended. 1 abstention.*
6. **Approval of Architectural Work Tasks selected by DRA A&D firm and Authorization to Proceed** – SR 12-21-23-03
- a. **Proposal** – DRA staff recommends the DRA Board approves Tasks 1 and 2 under the contract, as presented in the packet. *Approved. 1 abstention.*
7. **Approval of Procurement Policy Amendment**– SR 12-21-23-02
- a. **Proposal** – Section 3.4.6: to authorize the Executive Director of the DRA to approve professional services contracts with the total value below \$50,000. All contracts above this threshold are to be approved by the DRA Board. *Approved. 1 abstention.*
    - 1. **Discussion** – Donovan asked if this process was intended to expedite procurement efforts from RFP to beginning work. Ramras confirmed that it was.
8. **Other (Executive Director Updates)**
- a. Year End Flow-of-Funds – Ramras provided overview of year-end as outlined in the packet.
  - b. 2024 Work/Meeting Plan – Proposal: to approve the meeting dates and work plan schedule for 2024. *Approved. 1 abstention.*
9. **Asset Manager Report** – Bob Hayward, CHM Warnick presented an overview of the report on page 100.
10. **Hotel Managers Report** – Mike Mcleod, Hilton GM gave an update including staffing levels, lobby remodel guest feedback, status of water penetration issue.
- a. **Discussion** – Donovan inquired about the water issues and asked for opinion on the source and remediation. McLeod confirmed it was unknown and looks forward to working with the remediation contractor to solve it.
  - b. **Discussion** – President Robertson thanked McLeod and his team for a successful renovation and financially responsible year. She then acknowledged Board Member Copenhaver’s tenure with DRA and thanked him for his service. *Action item: prepare certificate of thanks and send to Copenhaver (Liles)*
11. **Executive Session, if needed** – N/A

Meeting adjourned at 11:58am.

Approval:

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Jan Robertson, President

Date

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# **Downtown Redevelopment Authority**

## Narrative Overview of January 2024

### Financial Statements

**FY2023 final financial statements are still in preparation; As such, the below commentary focuses primarily on Jan-24 activity as compared to Jan-23.**

#### **STATEMENT OF NET POSITION**

- Cash outlays in January were for the January 1<sup>st</sup> bond payments (principal + interest = \$3.53 million), and payoff of the Clark Co. PFD loan of \$729k.
- As of January 31<sup>st</sup>, overall debt to the Clark County PFD totals \$168k, representing a decrease of \$1.95 million from Jan-23.
- Management has opted to keep the payment agreement in force between City PFD and County PFD.
  - This will give management flexibility in cash allocations, and a buffer should there be unexpected volatility in the hotel market that results in reduced tax revenues.

#### **STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

- Operations in January resulted in operating income of \$47k; an increase over the budgeted Operating Income of \$138k.
- Depreciation, an Operating Expense which has no effect on cash, totaled \$118k in January 2024.
- Year-over-year investment earnings are up \$13k. This increase is attributed to higher cash balances earning interest at increasing rates.

#### **STATEMENT OF CASH FLOWS**

- Overall cash reflects a decrease of \$2.6 million compared to year end 2023.
  - This is expected given the large cash outflows for Debt Service as noted above.
  - Notable sources of cash for the month included \$2.5 million from operating activities and \$520k in tax receipts from the City and County PFD.
  - Notable uses of cash included \$847k for goods and services related to operating activities and debt service payments of \$4.3 million.

#### **TAX REVENUE COLLECTIONS**

- Through January 2024, tax revenue collections are at 17.9% of the Tax Cap compared to 17.4% for the prior year.
- As of January 2024, overall tax collections are up \$27.8k compared to January 2023. Receipts of City Lodging Tax, City PFD STC and County PTD STC are up 36.2%, and down 1.0%, and 6.3%, respectively.

#### **FLOW OF FUNDS**

- On February 1, 2024, \$495k of cash was transferred from the Lockbox Fund to the Project Revenue Debt Service Fund. This transfer resulted from cash flows in excess of operating expenses during the month.
- As of January 31<sup>st</sup>, the DRA had \$495k reserved in the Project Revenue Debt Service Fund.
  - The month-end balance is roughly 65% of the balance needed to fund the interest only payment totaling \$763k, due on July 1, 2024.
- As of January 31<sup>st</sup>, the DRA had \$520k reserved in the Tax Revenue Debt Service Fund.
  - The month-end balance was sufficient to fully fund the interest only payment totaling \$183k, due on July 1, 2024.

**Vancouver Downtown Redevelopment Authority Condensed Report on Financial Activity through January 2024**

	Year to Date					
	January 2024 Actual	January 2023 Actual	Actual \$ Change (2023 - 2024)	Actual % Change (2023 - 2024)	Budget through January 2024	Actual-Budget Comparison
<b>Revenue &amp; Expense</b>						
Total Operating Revenue	\$ 1,475,028	\$ 1,684,247	\$ (209,219)	-12.4%	\$ 1,378,207	\$ 96,821
Total Operating Expense	(1,427,898)	(1,406,236)	(21,662)	1.5%	(1,469,616)	41,718
<b>Net Operating Income</b>	<b>47,130</b>	<b>278,011</b>	<b>(230,881)</b>	<b>-83.0%</b>	<b>(91,409)</b>	<b>138,539</b>
Non-Operating/Special/Prior Period Adj (*)	215,045	152,468	62,577	41.0%	75,399	139,646
<b>Change in Net Position</b>	<b>\$ 262,175</b>	<b>\$ 430,479</b>	<b>\$ (168,304)</b>	<b>-39.1%</b>	<b>\$ (16,010)</b>	<b>\$ 278,185</b>
Depreciation (In Operating Expense)	\$ 118,425	\$ 123,942	\$ (5,517)	-4.5%	\$ 204,167	\$ (85,742)

(\*)

Refers to items not directly associated with operations. These items include interest earned, city tax collections, excise tax payments and interest accrued. Items are listed separately under "Non-operating revenues/expenses and special items in the DRA's operating statement."

	Year to Date			
	January 2024 Actual	January 2023 Actual	Actual \$ Change (2023 - 2024)	Actual % Change
<b>Dedicated Taxes</b>				
City Lodging Tax (2%)	\$ 154,815	\$ 113,644	\$ 41,171	36.2%
City Sales Tax Credit	195,902	197,870	(1,968)	-1.0%
County Sales Tax Credit	168,839	180,221	(11,382)	-6.3%
<b>Total Tax Revenue</b>	<b>\$ 519,556</b>	<b>\$ 491,735</b>	<b>\$ 27,821</b>	<b>5.7%</b>
Annual Tax Revenue Cap	\$ 2,900,000	\$ 2,826,000	\$ 74,000	2.6%
% of Cap	17.9%	17.4%		

	Year to Date	
	January 2024 Actual	2024 Budgeted
Capital Project Expenses	\$ 1,314	\$ 982,940

	Year to Date							
	January 2024 Actual	Flow of Funds 2/1/2024	Cash Balances after Flow of Funds	January 2023 Actual	Actual \$ Change (2023 - 2024)	Actual % Change (2023 - 2024)	Required Amounts (6/30/2024)	% of Required Amounts (6/30/2024)
<b>Cash Balance Reconciliation</b>								
Operating Petty Cash	\$ 45,403	\$ -	\$ 45,403	\$ 72,276	(26,873)	-37.2%	\$ -	N/A
Lockbox/Available Revenue Fund	1,108,246	(608,246)	500,000	500,000	-	0.0%	500,000	100.0%
Taxes & Insurance Fund	100,000	100,000	200,000	15,424	184,576	1196.7%	132,491	151.0%
Administrative Expense Fund	69,755	13,184	82,939	97,614	(14,675)	-15.0%	50,000	165.9%
Project Revenue Debt Service Fund	-	495,063	495,063	895,659	(400,596)	-44.7%	762,556	64.9%
Tax Revenue Debt Service Fund	519,556	-	519,556	491,734	27,822	5.7%	183,325	283.4%
Primary R & R Fund	792,865	-	792,865	1,180,639	(387,773)	-32.8%	-	N/A
Contingency Fund	2,000,000	-	2,000,000	2,000,000	(0)	0.0%	-	N/A
Management Fee Fund	292,292	-	292,292	148,928	143,364	96.3%	-	N/A
Subordinate R & R Fund	198,545	-	198,545	587,865	(389,320)	-66.2%	-	N/A
Cash Trap Fund	2,500,000	-	2,500,000	2,500,000	0	0.0%	-	N/A
Authority Reserve Fund - Excess	4,680,252	-	4,680,252	3,330,593	1,349,659	40.5%	-	N/A
Authority Reserve Fund - Restricted	500,000	-	500,000	500,000	-	0.0%	-	N/A
<b>Total Escrow Fund Cash Balances</b>	<b>\$ 12,806,915</b>		<b>\$ 12,806,914</b>	<b>\$ 12,320,732</b>	<b>\$ 486,182</b>	<b>3.9%</b>	<b>\$ 1,628,372</b>	
County PFD Fund - Loan Balance	(168,839)			(2,117,850)	1,949,011	-92.0%		

**Comments**

- On February 1, 2024, the DRA transferred \$495k of excess cash to the Project Revenue Debt Service Fund. This transfer resulted from better than expected cash inflows during the month. As of January 1, 2024, the DRA's Project Revenue and Tax Revenue Debt Service Funds had sufficient cash to pay the January 1, 2024 debt service payments (principal + interest). Excess cash is being swept to meet next required payment due July 1, 2024 (interest only).
- Excluding depreciation, the DRA has realized an increase of Net Position totaling \$381k which is \$192k more than the cumulative budgeted increase in Net Position of \$188k. \*Depreciation has no effect on cash in the current period\* On January 8, 2024, the Clark County PFD Loan was paid off in full totaling \$729k, including accrued interest. This was primarily the result of better than anticipated year-end cash balances that were allocated per the Annual Flow of Funds process.
- The 2024 Annual Tax Cap is \$2.9 million, a modest increase over the 2023 tax cap of \$2.826 million. As of January 1, the Annual Tax Cap resets meaning that until the tax cap is met, all tax revenues will be deposited in the Debt Service Fund in preparation for the next payment due July 1, 2024.

**Downtown Redevelopment Authority**  
**(A Component Unit of the City of Vancouver)**

Statement of Net Position

Substantially all Disclosures Required by GAAP are omitted.

As of January 31, 2024 and December 31, 2022

	1/31/2024	Audited 12/31/2022	Change from Prior Year-End	% Change
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	93,173	91,217	1,956	2.1%
Restricted cash with fiscal/escrow agent	13,021,915	15,683,146	(2,661,231)	(17.0%)
Receivables (net)				
Taxes	1,423,424	1,423,424	(0)	(0.0%)
Accounts	942,914	1,386,951	(444,037)	(32.0%)
Interest	52,395	48,235	4,160	8.6%
Inventory	49,725	43,407	6,318	14.6%
Prepaid expenses	334,651	272,182	62,469	23.0%
<b>Total current assets</b>	<b>15,918,197</b>	<b>18,948,562</b>	<b>(3,030,365)</b>	<b>(16.0%)</b>
Noncurrent assets				
Capital assets				
Buildings and equipment	60,343,645	59,764,071	579,574	1.0%
Accumulated depreciation	(29,975,235)	(29,097,331)	(877,904)	3.0%
<b>Total noncurrent assets</b>	<b>30,368,410</b>	<b>30,666,740</b>	<b>(298,330)</b>	<b>(1.0%)</b>
<b>TOTAL ASSETS</b>	<b>46,286,607</b>	<b>49,615,302</b>	<b>(3,328,695)</b>	<b>(6.7%)</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized deferred amount on refunding	689,627	764,965	(75,338)	(9.8%)
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	368,026	80,059	287,967	359.7%
Accrued interest payable	157,647	1,060,606	(902,959)	(85.1%)
Accrued liabilities	1,474,591	1,231,359	243,232	19.8%
Subordinate fee amortization	-	53,096	(53,096)	(100.0%)
Unearned revenue	1,295,836	742,623	553,213	74.5%
Bonds, notes and leases payable	2,685,000	2,384,304	300,696	12.6%
<b>Total current liabilities</b>	<b>5,981,100</b>	<b>5,552,857</b>	<b>429,053</b>	<b>7.7%</b>
Noncurrent liabilities				
Bonds, notes and leases payable from restricted assets	42,329,615	47,542,057	(5,212,442)	(11.0%)
Due to other governments	679,334	3,484,420	(2,805,086)	(80.5%)
<b>Total noncurrent liabilities</b>	<b>43,008,949</b>	<b>51,026,477</b>	<b>(8,017,528)</b>	<b>(0.3%)</b>
<b>TOTAL LIABILITIES</b>	<b>48,990,049</b>	<b>56,579,334</b>	<b>(7,588,474)</b>	<b>(13.4%)</b>
<b>NET POSITION</b>				
Net investment in capital assets	(13,956,578)	(18,494,656)	4,538,078	(24.5%)
Restricted for capital purposes	991,410	945,428	45,982	4.9%
Restricted for debt service	519,556	6,945,345	(6,425,789)	(92.5%)
Unrestricted	10,431,797	4,404,816	6,026,981	136.8%
<b>TOTAL NET POSITION</b>	<b>(2,013,815)</b>	<b>(6,199,067)</b>	<b>4,185,252</b>	<b>(67.5%)</b>

**Downtown Redevelopment Authority**  
**(A Component Unit of the City of Vancouver)**

Statement of Revenues Expenses and Changes in Net Position

Substantially all Disclosures Required by GAAP are omitted.

For the months ended January 31, 2024 and 2023

	Actuals				Budget		
	One month ending January 31, 2024	One month ending January 31, 2023	\$ Change	% Change	YTD Budget	Variance to Budget Favorable/ (Unfavorable)	%
<b>OPERATING REVENUES</b>							
Charges for services	1,475,028	1,684,247	(209,219)	-12.4%	1,378,207	96,821	7.0%
Miscellaneous	-	-	-		-	-	
<b>Total operating revenues</b>	<b>1,475,028</b>	<b>1,684,247</b>	<b>(209,219)</b>	<b>-12.4%</b>	<b>1,378,207</b>	<b>96,821</b>	<b>7.0%</b>
<b>OPERATING EXPENSES</b>							
Supplies and contractual services	1,309,473	1,282,294	27,179	2.1%	1,265,449	(44,024)	-3.5%
Depreciation	118,425	123,942	(5,517)	-4.5%	204,167	85,742	42.0%
<b>Total operating expenses</b>	<b>1,427,898</b>	<b>1,406,236</b>	<b>21,662</b>	<b>1.5%</b>	<b>1,469,616</b>	<b>41,718</b>	<b>2.8%</b>
Operating income (loss)	47,130	278,011	(230,881)		(91,409)	138,539	151.6%
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Interest earnings	52,491	39,846	12,645	31.7%	3,750	48,741	1299.8%
Intergovernmental contributions	350,717	311,513	39,204	12.6%	241,667	109,050	45.1%
Excise Tax	(25,027)	(22,408)	(2,619)	11.7%	(22,368)	(2,659)	11.9%
Interest and fiscal charges	(163,136)	(185,468)	22,332	12.0%	(156,634)	(6,502)	4.2%
<b>Total nonoperating revenues (expenses)</b>	<b>215,045</b>	<b>143,483</b>	<b>71,562</b>	<b>-49.9%</b>	<b>66,415</b>	<b>148,630</b>	<b>-223.8%</b>
<b>SPECIAL ITEMS</b>							
Gain on extinguishment of Debt	0	8,984	(8,984)		8,984	(8,984)	
Claims Settlement	-	-	-		-	-	
<b>Total special items</b>	<b>0</b>	<b>8,984</b>	<b>(8,984)</b>		<b>8,984</b>	<b>(8,984)</b>	
<b>Change in net position</b>	<b>262,175</b>	<b>430,479</b>	<b>(168,304)</b>	<b>39.1%</b>	<b>(16,010)</b>	<b>278,185</b>	<b>1737.6%</b>
<b>TOTAL NET ASSETS - BEGINNING</b>	<b>(2,275,989)</b>	<b>(6,126,761)</b>	<b>3,850,772</b>	<b>62.9%</b>			
Prior Period Adjustment		-	-				
<b>TOTAL NET ASSETS - ENDING</b>	<b>(2,013,814)</b>	<b>(5,696,282)</b>	<b>3,682,468</b>	<b>64.6%</b>			

**Downtown Redevelopment Authority**  
**(A Component Unit of the City of Vancouver)**  
STATEMENT OF CASH FLOWS  
For the month ended January 31, 2024

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from operating activities	\$ 2,480,504
Cash payments for goods and services	(847,036)
Net cash provided (used) by operating activities	<u>1,633,468</u>
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Receipts from other governments	519,556
Payments to other governments	(25,027)
Net cash provided (used) by noncapital financing activities	<u>494,529</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal paid on capital debt	(3,254,298)
Interest paid on capital debt	(1,001,731)
Purchase of capital assets	(579,574)
Net cash provided (used) by capital and related financing activities	<u>(4,835,603)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Receipt of interest	48,331
Net cash provided (used) by investing activities	<u>48,331</u>
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	
	(2,659,275)
 <b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	
	15,774,363
 <b>CASH AND CASH EQUIVALENTS - ENDING</b>	
	<u>\$ 13,115,088</u>
 <b>Reconciliation of operating income (loss) to net cash used by operating activities:</b>	
Net operating income (loss)	\$ 47,130
 Adjustments to reconcile net operating income (loss) to net cash provided by operations:	
Depreciation expense	118,425
(Increase) Decrease in receivables	444,062
(Increase) Decrease in inventories	(6,318)
(Increase) Decrease in prepaid items	(62,469)
Increase (Decrease) in current payables	531,200
Increase (Decrease) in unearned revenue	553,213
Total adjustments	<u>1,578,112</u>
Net cash provided (used) by operating activities	<u>\$ 1,625,242</u>



**Flow of Funds and Operating Cash Pursuant to Trust Indenture**  
**Financial Statement Period January 2024**

	Account name	Beginning Balances (1/1/2024)	Ending Balances (1/31/2024)	February 1st, flow of funds deposits, use of Cash Trap, and management fee payment	Cash balances after monthly flow of funds	Amounts Required 1/1 through 6/30/2024	Excess / (Deficit) through 6/30/2024	Requirement Description
1	Operating Petty Cash Account	411,821	45,403	-	45,403	-	45,403	Remaining balance intended to cover automatically deducted banking/merchant charges.
2	Available Revenue Account & Lockbox Account	1,414,684	1,323,246	(608,246)	715,000	500,000	215,000	Must have \$500,000 balance as of 1st business day. <b>There was a \$215,000 Lockbox cash transfer in transit for 2/1/2024.</b>
3	Taxes and Insurance Fund	-	100,000	100,000	200,000	132,491	67,509	Cash to be moved as needed to meet estimated renewal due in 2024 = \$265k total (2024 budget for 3 policies: Property & Terrorism = \$113k, July; Public Officials = \$21k, Oct; Casualty & Crime = \$131k, December).
4	Administrative Expense Fund	67,845	69,755	13,184	82,939	50,000	32,939	Amounts required represent average monthly amount for known and budgeted Administrative Expenses remaining (not yet paid). Any excess balance will be applied to future administrative expenses.
5	Project Revenue Debt Service Fund	4,393,576	-	495,063	495,063	762,556	(267,494)	Amounts required represent debt service payments scheduled for <b>July 1, 2024 (interest only)</b> .
6	Tax Revenue Debt Service Fund	2,613,575	519,556	-	519,556	183,325	336,231	Amounts required represent debt service payments scheduled for <b>July 1, 2024 (interest only)</b> .
7	Renewal and Replacement Fund	-	792,865	-	792,865	-	-	Monthly calculation of 4% of gross operating revenues. Funds flow annual only to the extent that there is combined excess of Funds in #5 and #6 above. Funds are transferred from Contingency as needed.
8	Contingency Fund	1,125,811	2,000,000	-	2,000,000	-	2,000,000	Amounts flow annually into this Fund, up to the requirement only and only to the extent there is excess available beyond the requirements of Funds #5 through #7, above. Once requirement is met amounts flow below this point.
9	Management Fee Fund	-	292,292	-	292,292	-	292,292	Beginning in calendar year 2016, pursuant to the Amended and Restated Project Operating agreement, the subordinate component of the management fee becomes due on the first of every month. Current balance is estimated payable due for FY21 and FY23 Subordinate Management Fees that were deferred.
10	Subordinate Renewal and Replacement Fund	-	198,545	-	198,545	-	-	Monthly calculation of 1% of gross operating revenues. Funds flow annual to satisfy the deficit calculation only and only to the extent that there is combined excess in Funds described in #5 through #9, above. Once the requirement is met amounts flow below this point. Funds are transferred from Contingency as needed.
11	Cash Trap Fund	2,500,000	2,500,000	-	2,500,000	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #10, above. Once the requirement is met amounts flow below this point.
12	Authority Revenue Fund	3,330,593	4,680,252	-	3,330,593	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #11, above. Once the requirement is met amounts flow below this point.
13a	Authority Revenue Fund - RESTRICTED	500,000	500,000	-	500,000	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.
	<b>Totals</b>	<b>16,357,904</b>	<b>13,021,915</b>	<b>-</b>	<b>11,672,255</b>	<b>-</b>	<b>2,721,880</b>	
13b	County PFD Fund	-	-	-	-	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.
	County PFD Loan, Outstanding Principal Balance	(726,504)	(168,839)	-	(168,839)	-	-	Represents the outstanding loan balance owed to the Clark County PFD as of month end.

**Notes to Accompany Bank Balances**

<p><b>The Operating Petty Cash Account</b> is the account from which the Project Manager, Hilton, deposits the funds withdrawn from the Lockbox solely for the purpose of paying Operating Expenses, Pursuant to Section 3.07 of the Amended and Restated <b>1</b> Operating Agreement.</p>	<p><b>Tax Revenue Debt Service Fund</b> is maintained to meet the debt service requirements of the Conference Center Project Refunding Revenue Bonds Series 2013B, which is the portion of the bond offering secured by the tax revenue flow, without regard to revenue generated by operations of the Hotel and Convention Center Project. Total debt issued \$18,045,000. Full maturity of the debt - January 1, 2034. A complete schedule of interest and principal payments from the Bond offering Official Statement is <b>6</b> attached.</p>	<p><b>The Authority Reserve Fund</b> was established pursuant to Appendix A of the Amended and Restated Trust Indenture - the Authority Reserve Fund Requirement is an amount equal to \$500,000. Funds can be used to meet an obligation of the DRA when shortfalls exist in other accounts otherwise designated to pay that obligation but only after the Contingency fund is fully <b>11</b> depleted.</p>
<p><b>The Available Revenue Fund</b> was established pursuant to Section 5.03 of the Indenture. The Lockbox accounts is maintained pursuant to Section 5.05 of the Indenture and established pursuant to Section 2 of the Amended and Restated Cash Management and Lockbox agreement. At the beginning of each month the Lockbox is required to have the Operating Cost Set Aside Amount, which Pursuant to Appendix A of the Amended and Restated Trust Indenture - the Operating Cost Set Aside <b>2</b> Amount means \$500,000.</p>	<p><b>The Renewal and Replacement Fund</b> is the account for which capital projects are funded. The amount required to be deposited is calculated at 4% of the Monthly Gross Operating Revenue. The deficit is calculated on a cumulative basis from the beginning of the project, less cumulative deposits from the beginning of the project. The ending cash balance represents cumulative deposits from the beginning of the project, less cumulative expenditures from the beginning of the project. The amounts to fund the deficit flow into this account annually. The 4% Subordinate Renewal and Replacement Set Aside Amount <b>7</b> requirement is Pursuant to Appendix A of the Amended and Restated Trust Indenture.</p>	<p><b>The Cash Trap Fund</b> was established pursuant to Appendix A of the Amended and Restated Trust Indenture - the Cash Trap Fund Requirement means the amount of \$2,500,000. Funds can be used to meet an obligation of the DRA when shortfalls exist in other accounts otherwise designated to pay that obligation but only after the Contingency fund and Authority Reserve <b>12</b> Fund are fully depleted.</p>
<p><b>The Taxes and Insurance Fund</b> is maintained to ensure significant fund for annual insurance premiums when due. There is no requirement to maintain a minimum <b>3</b> balance. Established pursuant to Section 5.03 of the Indenture.</p>	<p><b>The Contingency Fund</b> holds an amount Pursuant to Appendix A of the Amended and Restated Trust Indenture - the Contingency Requirement means an amount equal to \$2,000,000. These funds can be used to meet an obligation of the DRA when shortfalls exist in other accounts otherwise designated to <b>8</b> pay that obligation.</p>	<p><b>The Authority Revenue Fund - additional</b> holds amounts used to repay ACA Note Payable Pursuant to the Financing Agreement between ACA and the Authority. ACA was the Authority's bond issuer for the 2003 debt series. Principal amount is \$1,430,554.61 with 4.42% interest, bringing the total amount due to \$3,123,161. Maturity Date is January 1, 2044. Principal and Interest Payment are scheduled to commence on January 1, 2033. Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement. In addition, per the Indenture, the DRA may use amounts in the fund for other purposes. Planned uses include payments to the City of <b>13a</b> Vancouver per the Lot 24 Parking License Agreement and costs related to major renovation projects planned for 2020-2022.</p>
<p><b>The Administrative Expense Fund</b> is maintained to ensure monthly administrative obligations are funded when due. There is no stated minimum amount required to <b>4</b> be maintained. Established pursuant to Section 5.03 of the Indenture.</p>	<p><b>The Management Fee Fund</b> is the account that will accumulate the funds that the Authority is obligated to pay, in arrears, subject to the availability of amounts in this fund the subordinate component of the management fee. The obligation to accrue the amount monthly becomes effective in calendar year 2016. The 2021 annual obligation is \$139,055. See Section 8 of the First Amendment to the Mangement <b>9</b> Agreement outlines the on-going obligation.</p>	<p><b>The County PFD Fund</b> holds amounts used to repay liability to County PFD. This balance increases monthly with flow of County Sales Tax Credit Revenue. Established pursuant to Section 5.03 of the Indenture. Amounts are applied to interest first. Interest rate is 5.63%. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to <b>13b</b> the County PFD in accordance with the County Interlocal Agreement.</p>
<p><b>The Project Debt Service Fund</b> is maintained to meet the debt service requirements of the Conference Center Project Refunding Revenue Bonds Series 2013A, which is the portion of the bond offering secured by the revenue flow of the Hotel and Convention Center Project. Total debt issued - \$41,185,000. Full maturity of the debt - January 1, 2044. A complete schedule of interest and principal payments from the <b>5</b> Bond offering Official Statement is attached.</p>	<p><b>The Subordinate Renewal and Replacement Fund</b> is the second available account for which capital projects are funded. The amount required to be deposited is calculated at 1% of Monthly Gross Operating Revenue. The deficit is calculated on a cumulative basis from the beginning of the project, less deposits made into the account less cumulative deposits from the beginning of the project. The ending cash balance represents cumulative deposits from the beginning of the project, less cumulative expenditures from the beginning of the project. The amounts to fund the deficit flow into this account annually. The 1% Subordinate Renewal and Replacement Set Aside Amount requirement is Pursuant to <b>10</b> Appendix A of the Amended and Restated Trust Indenture.</p>	

**NOTE: City of Vancouver Commitment to Downtown Redevelopment Authority (DRA), with respect to the Vancouver Conference Center:** The City signed an agreement on December 1, 2003, to participate in the construction and operation of the Vancouver Conference Center, using tourism funds. In June 2013, the DRA refinanced the debt associated with the construction of the Vancouver Conference Center. As a part of the refinancing, the City agreed that, if, prior to each Interest Payment Date or Principal Payment Date, the amounts on deposit per the Trust Indenture are insufficient to pay the principal and interest due on the 2013 Project Revenue Bonds, upon notice of such deficiency from the Trustee, the City shall pay to the Trustee an amount equal to the deficiency; the maximum obligation on that payment date being the debt service amount of the 2013 Project Revenue Bonds due on such date. Any payment by the City of this conditional payment amount shall constitute a loan by the City to the DRA, with interest payable on such amounts at the rate or rates on the 2013 Project Revenue bonds. If a payment obligation is made and a loan created, the obligation for repayment become subordinate to the obligation of the Authority Revenue Fund and the County PFD Fund.

**Flow of Funds, Operating Cash, and Annual Waterfall Pursuant to Trust Indenture  
Financial Statement Period December 2023**

	<b>Account Name</b>	<b>Period to Date Amount (12/31/2023)</b>	<b>January 2nd, flow of funds deposits, use of Cash Trap, and management fee payment</b>	<b>Cash balances after monthly flow of funds</b>	<b>Amounts Required</b>	<b>Required Debt Service Payments on Jan 2, 2024 (COMPLETED)</b>	<b>Excess/(Deficit) for Annual Waterfall</b>	<b>Annual Waterfall Transfers</b>	<b>Balances after Annual Water Fall</b>	<b>Excess/(Deficit) after Annual Waterfall</b>	<b>Requirement Description</b>
<b>1</b>	Operating Petty Cash Account	411,821	-	411,821	-	N/A	-	-	411,821	411,821	Remaining balance intended to cover automatically deducted banking/merchant charges.
<b>2</b>	Available Revenue Account/Lockbox	1,414,684	(871,762)	542,922	500,000	N/A	42,922	-	542,922	42,922	Must have \$500,000 balance as of 1st business day.
<b>3</b>	Taxes and Insurance Fund	-	100,000	100,000	-	N/A	-	-	100,000	100,000	Required balance represents budgeted and known insurance payments for January 2023; specifically Auto, Crime and various liability coverages.
<b>4</b>	Administrative Expense Fund	67,845	14,020	81,864	-	N/A	-	-	81,864	81,864	Amount required represent known and anticipated expenses through April 2023. Excess amount will be applied to other administrative expenses.
<b>5</b>	Project Revenue Debt Service Fund	4,393,576	757,742	5,151,318	-	1,859,306	3,292,012	(3,292,012)	-	-	The portion of the payment due January 1, 2024; Principal and Interest = \$1,859,306.25, paid January 2, 2024. Remaining amount is to be distributed via Annual Waterfall.
<b>6</b>	Tax Revenue Debt Service Fund	2,613,575	-	2,613,575	-	1,667,425	946,150	(946,150)	-	-	The portion of the payment due January 1, 2024; Principal and Interest = \$1,667,425, paid January 2, 2024. Remaining amount is to be distributed via Annual Waterfall.
<b>7</b>	Renewal and Replacement Fund	-	-	-	794,179	N/A	(794,179)	794,179	794,179	-	Monthly calculation of 4% of gross operating revenues (\$21,022,528). Funds flow annual only to the extent that there is combined excess of Funds in #5 and #6 above.
<b>8</b>	Contingency Fund	1,125,811	-	1,125,811	2,000,000	N/A	(874,189)	874,189	2,000,000	-	Amounts flow annually into this Fund, up to the requirement only and only to the extent there is excess available beyond the requirements of Funds #5 through #7, above. Once requirement is met amounts flow below this point.
<b>9</b>	Management Fee Fund	-	-	-	292,292	N/A	(292,292)	292,292	292,292	-	Beginning in calendar year 2016, pursuant to the Amended and Restated Project Operating agreement, the subordinate component of the management fee becomes due on the first of every month. The unpaid 2023 Subordinate amount is \$153,407.88, and the unpaid 2021 Subordinate amount is estimated to be \$138,883.79.
<b>10</b>	Subordinate Renewal and Replacement Fund	-	-	-	198,545	N/A	(198,545)	198,545	198,545	-	Monthly calculation of 1% of gross operating revenues (\$21,022,528). Funds flow annual to satisfy the deficit calculation only and only to the extent that there is combined excess in Funds described in #5 through #9, above. Once the requirement is met amounts flow below this point.
<b>11</b>	Cash Trap Fund	2,500,000	-	2,500,000	2,500,000	N/A	-	-	2,500,000	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #10, above. Once the requirement is met amounts flow below this point.
<b>12</b>	Authority Reserve Fund - Excess	3,330,593	-	3,330,593	-	N/A	3,330,593	1,349,660	4,680,253	4,680,253	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #11, above. Once the requirement is met amounts flow below this point.
<b>13a</b>	Authority Revenue Fund RESTRICTED	500,000	-	500,000	500,000	N/A	-	-	500,000	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund-Excess; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.
	<b>Totals</b>	<b>16,357,904</b>	<b>-</b>	<b>16,357,904</b>	<b>6,785,015</b>	<b>3,526,731</b>	<b>5,452,472</b>	<b>(729,298)</b>	<b>12,101,875</b>	<b>-</b>	
<b>13b</b>	County PFD Fund, Outstanding Principal Balance	(726,504)	-	(726,504)	-	N/A	-	729,298	2,793	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.

**VANCOUVER DOWNTOWN REDEVELOPMENT AUTHORITY VOUCHER AND  
ADMINISTRATIVE EXPENSE APPROVAL**

**Ratification of Claims Paid by Trustee**

We, the undersigned members of the Board of Directors of the Downtown Redevelopment Authority, do hereby certify that the merchandise or services hereinafter specified have been received and the vouchers listed below are hereby approved in the amounts of **\$3,089,575.93.**  
this 15th day of February 2024.

**Approval of New Administrative Expenses**

Additionally, we, the undersigned members of the Board of Directors of the Downtown Redevelopment Authority, do hereby approve for payment Administrative Expense Fund expenses in the amount of **\$44,264.23** this 15th day of February 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY/TREASURER

\_\_\_\_\_  
Natasha Ramras, EXECUTIVE DIRECTOR

\_\_\_\_\_  
BOARDMEMBER

**DOWNTOWN REDEVELOPMENT AUTHORITY**

**Claims Paid December 2023 - January 2024**

<b>Date</b>	<b>Supplier</b>	<b>Amount</b>	<b>Description</b>	
31-Dec-2023	<b>City of Vancouver</b>	10,000.00	Administrative Services, Dec-23	
31-Dec-2023	<b>City of Vancouver</b>	9,755.29	Lot 24 Parking, Dec-23	
31-Dec-2023	<b>CHM Warnick</b>	11,000.00	Asset Mgmt Fees and Travel Expenses, Dec-23	
31-Dec-2023	<b>US Bank</b>	1,400.00	Q3 Bank Acct Admin Fees, 7/1 - 9/30/2023, + UCC Filing	
01-Dec-2023	<b>Hilton Hotels</b>	42,921.95	Hilton Base Management Fee (Inv# 11578-1242122), Dec-23	
11-Dec-2023		131,397.32	OPCA 2357 - AP	
18-Dec-2023		412,069.23	OPCA 2360 - Payroll	
18-Dec-2023		144,935.95	OPCA 2358 - Intercompany	
18-Dec-2023		113,603.00	OPCA 2359 - AP	
26-Dec-2023		266,035.49	OPCA 2362 - AP	
27-Dec-2023		160,949.16	OPCA 2361 - Sales & Use Tax True Up	
31-Dec-2023		277,527.58	OPCA 2363 - Payroll	
31-Dec-2023		88,325.47	OPCA 2364 - AP	
31-Dec-2023		19,060.04	OPCA 2365 - Month End True Up	
31-Jan-2024		<b>CHM Warnick</b>	12,108.94	Asset Mgmt Fees and Travel Expenses, Dec-23
01-Jan-2024		<b>Hilton Hotels</b>	42,921.95	Hilton Base Management Fee (Inv# 11578-1249950), Jan-24
08-Jan-2024			34,468.40	OPCA 2366 - AP
16-Jan-2024	247,409.82		OPCA 2368 - AP	
16-Jan-2024	251,054.74		OPCA 2370 - Payroll	
19-Jan-2024	3,000.00		OPCA 2367 - AP	
22-Jan-2024	75,174.45		OPCA 2372 - AP	
26-Jan-2024	407,990.07		OPCA 2374 - Payroll	
26-Jan-2024	157,888.91		OPCA 2371 - Sales & Use Tax True Up	
26-Jan-2024	129,015.17		OPCA 2369 - Intercompany	
26-Jan-2024	17,159.37		OPCA 2373 - AP	
31-Jan-2024	22,403.63		OPCA 2376 - Month End True Up	
	<b>Total</b>		<b>3,089,575.93</b>	

\$ 44,264.23 Highlighted items reflect the total Administrative Expense amount on the Approval Request

**HILTON VANCOUVER WASHINGTON**

**2024 CAPITAL PROJECTS**

PREPARED BY: Krista Liles

DATE: January 22, 2024

Contractor	Description of work	Project	Amount	Invoice Date	Invoice Number	Request #	Project #	Project type
Livermore	Contractor Fees - August 2023	Lobby	\$ 500.00	8/31/2023	6447	1222401	221072	Lobby Remodel
Livermore	Contractor Fees - September 2023	Lobby	\$ 500.00	9/30/2023	6405	1222401	221072	Lobby Remodel
Construction Services Group	CSG Estimate #12	Lobby	\$ 313.64	12/15/2023	Est. #12	12122301	221072	Lobby Remodel
<b>Total</b>			\$ 1,313.64					