



Downtown Redevelopment Authority

Thursday, April 17, 2025
11:00am at City Hall

Council Chambers
415 W 6th Street
Vancouver, WA 98660

AGENDA

1. **Call to order** – President Robertson
 - a) Welcome new board member – President Robertson
 - b) Roll Call – Krista Liles
 - c) Excusal of Absence, if needed
2. **Approval of Minutes (February 27, 2025)** – President Robertson
3. **Approval of Claims and Admin Expenses** – Erin Jacobson
4. **Update of Financials: March/Q1 2025** – Erin Jacobson & Natasha Ramras
5. **Capital Expense Update** – Erin Jacobson
6. **Executive Updates** – Natasha Ramras
 - a) DRA Project Status Update
 - b) Audit Update
 - c) Other
7. **Asset Manager Report** – Bob Hayward, CHM Warnick
8. **Hotel Managers Report** – Alex Dawes, Hilton General Manager
9. **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
Marc Fazio
Brad Hutton
Debra McCracken

Staff Support

Natasha Ramras
Executive Director

Dan Lloyd
Assistant City Attorney

Erin Jacobson
Principal Accountant

Krista Liles
Senior Support Specialist

Financial Management Services

415 W 6th Street
Vancouver, WA 98668
360-487-8437, TTY: 711
cityofvancouver.us

Microsoft Teams meeting:

Join the meeting now

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Phone conference ID: 952 974 693#

To request accommodation or other formats, please contact:

Tawny Maruhn | 360-487-8621 | TTY: 711 | tawny.maruhn@cityofvancouver.us



Downtown Redevelopment Authority

Meeting Summary/Meeting Minutes

Thursday, February 27

11:00am, City Hall
415 W 6th Street
Vancouver, WA 98660

Board Members Present:

Robertson, Kee, Donovan, Fazio

Board Members Absent:

Hutton, Bernatz

Staff Present: Ramras, Lloyd, Liles, Jacobson

Guests: Alex Dawes (Hilton GM), Andrew Dowie (Hilton), Bob Hayward (CHM Warnick)

AGENDA

1. **Call to order** 10:59am – Jan Robertson, President
 - d. Roll Call – Krista Liles
 - e. Excusal of Absence – motion to approve absence of Hutton and Bernatz: *Approved*
2. **Approval of Minutes (December 19, 2024)** – *Approved as presented on page 2*
3. **Officer Elections (Approval) – action as follows:**
 - a. **President** – Fazio nominated Jan Robertson: motion to approve Jan Robertson for another term. 3 ayes, 1 abstention, 0 nays. *Approved.*
 - b. **Secretary** – Fazio nominated Kathleen Kee; motion to approve Kathleen Kee for another term. 3 ayes, 1 abstention,

Members

Jan Robertson

President

Kathleen Kee

Secretary/Treasurer

Dyann Bernatz

Tom Donovan

Marc Fazio

Brad Hutton

Staff Support

Natasha Ramras

Executive Director

Dan Lloyd

Assistant City Attorney

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Senior Support Specialist

Financial Management Services

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Tawny Maruhn | 360-487-8621 | TTY: 711 | tawny.maruhn@cityofvancouver.us

0 nays. *Approved.*

4. **Approval of Claims and Admin Expenses** – *Approved as presented on page 4*
5. **Financials: Preliminary 2024 Year-end & January 2025** – Donovan asked for clarification on why the tax cap revenue collection percentage was slightly down, but the dollar amount is ahead: *This is due to the annual tax cap increase.* Ramras briefly explained the new Budget-to-Actual report format and asked for feedback on whether it's useful and how/if we can customize it for viewing. Robertson expressed support for the data and would like to continue receiving it.
6. **Capital Expense Update** – *Approved as presented on page 22.*
7. **Executive Updates** –
 - a. DRA Project Status Update
 - b. Auditor Update
 - c. Other
8. **Asset Manager Report** – Bob Hayward, CHM Warnick
9. **Hotel Manager Report** – Alex Dawes, Hilton General Manager
10. **Executive Session** – Dan Lloyd, Assistant City Council

Meeting adjourned at 11:57am.

Approval:

Jan Robertson, President

Date

**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 **\$3,554,855.16** this 17th day of April 2025.

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 **\$64,655.60** this 17th day of April 2025.

PRESIDENT

SECRETARY/TREASURER

Natasha Ramras, EXECUTIVE DIRECTOR

BOARDMEMBER

DOWNTOWN REDEVELOPMENT AUTHORITY

Claims Paid February 2025 - March 2025

Date	Supplier	Amount	Description	
06-Feb-2025	City of Vancouver	10,000.00	Administrative Services, Jan-25	
06-Feb-2025	City of Vancouver	9,755.29	Lot 24 Parking, Jan-25	
06-Feb-2025	CHM Warnick	11,527.02	Asset Mgmt Fees, Jan-25	
06-Feb-2025	US Bank	1,350.00	Q4 Bank Admin Fees, 10/1 - 12/31/2024; ACCRUED TO FY24	
01-Feb-2025	Hilton Hotels	46,993.77	Hilton Base Management Fee (Inv# 11578-1285969), Jan-25	
01-Feb-2025		13,995.99	Hilton Subordinate Management Fee (Inv# 11578-1285969), Jan-25	
10-Feb-2025		355,600.20	OPCA 2492 - PAYROLL	
10-Feb-2025		263,873.83	OPCA 2493 - AP	
18-Feb-2025		128,845.26	OPCA 2494 - INTERCOMPANY	
18-Feb-2025		109,907.44	OPCA 2495 - AP	
24-Feb-2025		326,955.34	OPCA 2496 - PAYROLL	
24-Feb-2025		54,755.91	OPCA 2497 - AP	
27-Feb-2025		172,433.94	OPCA 2487 - SALES & USE TAX TRUE UP	
28-Feb-2025		81,571.45	OPCA 2498 - AP	
28-Feb-2025		19,999.78	OPCA 2500 - Month End True Up	
12-Mar-2025		City of Vancouver	10,000.00	Administrative Services, Feb-25
12-Mar-2025		City of Vancouver	60.00	Reimbursement for 2025 Annual Filing: WA Secretary of State Corporation & Charities Division, Feb-25
12-Mar-2025		City of Vancouver	9,755.29	Lot 24 Parking, Feb-25
12-Mar-2025	CHM Warnick	11,867.51	Asset Management Fees, Feb-25	
12-Mar-2025	CHM Warnick	340.49	Asset Management Fees - Base Increase, Jan-25	
01-Mar-2025	Hilton Hotels	46,993.77	Hilton Base Management Fee (Inv# 11578-1288898), Feb-25	
01-Mar-2025		13,995.99	Hilton Subordinate Management Fee (Inv# 11578-1288898), Feb-25	
10-Mar-2025		313,206.26	OPCA 2501 - AP	
10-Mar-2025		342,827.13	OPCA 2502 - PAYROLL	
14-Mar-2025		75,107.98	OPCA 2503 - AP	
17-Mar-2025		165,483.09	OPCA 2504 - INTERCOMPANY	
24-Mar-2025		68,722.00	OPCA 2505 - AP	
24-Mar-2025		295,288.51	OPCA 2506 - PAYROLL - "EXECUTIVE COMMITTEE ANNUAL INCENTIVE"	
24-Mar-2025		312,766.73	OPCA 2507 - PAYROLL	
27-Mar-2025		177,247.61	OPCA 2508 - SALES & USE TAX TRUE UP	
31-Mar-2025		85,577.35	OPCA 2509 - AP	
31-Mar-2025	18,050.23	OPCA 2510 - Month End True Up		
Total		3,554,855.16		

\$ 64,655.60 Highlighted items reflect the total Administrative Expense amount on the Approval Request

Downtown Redevelopment Authority

Narrative Overview of March 2025

Financial Statements

FY2024 final financial statements are still in preparation; As such, the below commentary focuses primarily on cumulative activity as compared to same period of prior fiscal year.

STATEMENT OF NET POSITION

- Major cash outlays in January were for the January 1st bond payments (principal + interest = \$3.63 million).
- As of March 31st, overall debt to Clark County PFD totals \$528k, which is \$18k more than March 31, 2024.
 - The tax cap resets January 1st of each year so any tax revenues collected will accumulate as Clark County PFD liability until the tax cap is met.
 - For 2025, the tax cap increased to \$2.975 million, up \$75k from the 2024 limit of \$2.9 million.

STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET POSITION

- Operations in March resulted in cumulative operating income of \$670k, which is \$41k less than the budgeted Operating Income of \$710k.
 - Operating revenues were under budget by \$163k, driven primarily by Delta flight reduction and not collecting Attrition nor Cancellation revenues as expected in Q1 2025.
 - Operating expenses were under budget by \$123k, driven primarily by
 - Depreciation, an Operating Expense which has no effect on cash, totaled \$136k through March 2025 compared to budget of \$412k.
 - Supplies and contractual expenses were over budget by \$153k, partially due to Hilton F&B labor budgeted too conservatively.
- Net non-operating activity was under budget by \$204k.
- Year-over-year investment earnings are down \$859k. This decrease is attributed to lower cash balances and lower earning rate.
- Hilton annual forecast as of March estimates Gross Operating Profit of \$4.90 million, which is \$225k less than annual budget of \$5.13 million.
 - This is a decrease over the February estimate of \$71k.

STATEMENT OF CASH FLOWS

- Overall cash reflects a decrease of \$1.51 million compared to year end 2024.
 - Notable sources of cash for the year included \$4.90 million from operating activities and \$1.51 million in tax receipts from the City and County PFD.
 - Notable uses of cash included \$4.34 million for goods and services related to operating activities and debt service payments of \$3.63 million in January (principal + interest).

TAX REVENUE COLLECTIONS

- Through March 2025, tax revenue collections are at 50.8% of the Tax Cap, compared to 51.7% for the prior year.
- As of March 2025, overall tax collections are up \$11k compared to March 2024. Receipts of City Lodging Tax, City PFD STC and County PTD STC are down 1.3%, down 0.3%, and up 3.5%, respectively.

FLOW OF FUNDS

- On April 1, 2025, \$552k 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.
- After the April 1st Flow of Funds, the DRA had sufficient balances in both the Project Revenue Debt Service Fund and the Tax Revenue Debt Service Fund to fully pay the interest-only payments due on July 1, 2025.
- In March, a cash transfer of \$245k was necessary from the Contingency Fund to the Lockbox Fund to cover weekly operating expenses. This was primarily a timing issue between weekly deposits and weekly expenses, which for this period included an additional payroll for annual executive incentives.

Vancouver Downtown Redevelopment Authority Condensed Report on Financial Activity Through March 31, 2025

<u>Revenue & Expense</u>	Year to Date							
	March 2025 Actual	March 2024 Actual	Actual \$ Change (2025 - 2024)	Actual % Change (2025 - 2024)	Budget through March 2025	Actual-Budget Comparison	2025 Annual Budget	Actual as % of Annual Budget
Total Operating Revenue	\$ 5,160,792	\$ 4,688,206	\$ 472,586	10.1%	\$ 5,324,176	\$ (163,384)	\$ 21,024,585	24.5%
Total Operating Expense	(4,491,005)	(4,655,503)	164,498	-3.5%	(4,613,838)	122,833	(19,149,078)	23.5%
Net Operating Income	669,787	32,703	637,084	1948.1%	710,338	(40,551)	1,875,507	35.7%
Non-Operating/Special/Prior Period Adj (*)	559,710	582,929	(23,219)	-4.0%	355,532	204,178	1,454,619	38.5%
Change in Net Position	\$ 1,229,497	\$ 615,632	\$ 613,865	99.7%	\$ 1,065,870	\$ 163,627	\$ 3,330,126	36.9%
Depreciation (In Operating Expense)	\$ (136,191)	\$ (393,521)	\$ 257,330	-65.4%	\$ (412,154)	\$ 275,963	\$ (1,648,615)	8.3%

(*) Refers to items not directly associated with operations. These items include interest earned, city tax collections, excise tax payments and interest expense.

Items are listed separately under "Non-Operating Revenues/ (Expenses)" and "Special Items" on the DRA's Operating Statement.

<u>Dedicated Taxes</u>	Year to Date			
	March 2025 Actual	March 2024 Actual	Actual \$ Change (2025 - 2024)	Actual % Change (2025 - 2024)
City Lodging Tax (2%)	\$ 382,094	\$ 387,049	\$ (4,955)	-1.3%
City Sales Tax Credit	599,491	601,456	(1,965)	-0.3%
County Sales Tax Credit	528,409	510,430	17,979	3.5%
Total Tax Revenue	\$ 1,509,994	\$ 1,498,935	\$ 11,060	0.7%
Annual Tax Revenue Cap	\$ 2,975,000	\$ 2,900,000	\$ 75,000	2.6%
% of Cap	50.8%	51.7%		

<u>Capital Projects</u>	Year to Date	
	March 2025 Actual	2025 Budgeted
Capital Project Expenses	\$ -	\$ 6,236,891

<u>Cash Balance Reconciliation</u>	Year to Date				
	Ending Balances after Flow of Funds	Monthly Fund Balance Change	March 2024 Actual	Required Amounts (6/30/2025)	% of Required Amounts (6/30/2025)
	Operating Petty Cash	\$ 43,283	\$ (85,848)	\$ 46,403	\$ -
Lockbox/Available Revenue Fund	560,961	(29)	619,565	500,000	112.2%
Taxes & Insurance Fund	125,000	75,000	220,000	156,117	N/A
Administrative Expense Fund	82,617	594	36,604	50,000	165.2%
Project Revenue Debt Service Fund	790,752	551,881	692,761	1,689,334	46.8%
Tax Revenue Debt Service Fund	1,509,994	531,538	1,498,935	1,065,538	141.7%
Primary R & R Fund	1,010,542	-	657,945	-	N/A
Contingency Fund	1,755,000	(245,000)	1,850,000	-	N/A
Management Fee Fund	29	-	136,575	-	N/A
Subordinate R & R Fund	409,680	-	198,545	-	N/A
Cash Trap Fund	2,500,000	-	2,500,000	-	N/A
Authority Reserve Fund - Excess	4,871,039	-	4,680,252	-	N/A
Authority Reserve Fund - Restricted	500,000	-	500,000	-	N/A
Total Escrow Fund Cash Balances	\$ 14,158,897	\$ 828,136	\$ 13,637,584	\$ 3,460,989	
County PFD Fund - Loan Balance	(528,410)		(510,430)		

Comments

- On April 1, 2025, the DRA transferred \$552k of excess cash to the Project Revenue Debt Service Fund. This transfer resulted from better than expected cash inflows during the month.
- On March 20, 2025, a cash transfer of \$245k was necessary from the Contingency Fund to the Lockbox Fund to cover weekly operating expenses. This was primarily a timing issue between when weekly deposits cleared, and additional payroll paid for annual executive incentives.
- With the April 1, 2025 Flow of Funds transfer, there is sufficient cash balance in the Tax Revenue Debt Service Fund needed to pay the July 1, 2025 debt service payment (interest only). The Project Revenue Debt Service Fund balance is also sufficient to pay the July 1, 2025 debt service payment (interest only).
- The Required Amounts (6/30/2025) listed above include both the July 1, 2025 interest-only payments, and accrued amount of January 1, 2026 principal + interest payments.
- Excluding depreciation, the DRA has realized an increase of Net Position totaling \$1.37 million which is \$112k less than the cumulative budgeted increase in Net Position of \$1.48 million. *Depreciation has no effect on cash in the current period*
- ** The 2025 Annual Tax Cap is \$2.975 million, a modest increase over the 2024 tax cap of \$2.9 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, 2025.

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 March 31, 2025 and December 31, 2024

	3/31/2025	Un-Audited 12/31/2024	Change from Prior Year-End	% Change
ASSETS				
Current assets				
Cash and cash equivalents	\$ 98,830	\$ 97,954	\$ 876	0.9%
Restricted cash with fiscal/escrow agent	\$ 14,158,897	\$ 15,668,970	\$ (1,510,073)	(9.6%)
Receivables (net)				
Taxes	\$ 1,509,994	\$ 1,498,934	\$ 11,060	0.7%
Accounts	\$ 1,110,652	\$ 877,335	\$ 233,317	26.6%
Interest	\$ 45,822	\$ 56,157	\$ (10,335)	(18.4%)
Inventory	\$ 49,911	\$ 48,358	\$ 1,553	3.2%
Prepaid expenses	\$ 345,298	\$ 338,074	\$ 7,224	2.1%
Total current assets	\$ 17,319,404	\$ 18,585,782	\$ (1,266,378)	(6.8%)
Noncurrent assets				
Capital assets				
Buildings and equipment	\$ 60,329,119	\$ 60,675,779	\$ (346,660)	(0.6%)
Accumulated depreciation	\$ (31,237,227)	\$ (31,440,120)	\$ 202,893	(0.6%)
Total noncurrent assets	\$ 29,091,892	\$ 29,235,659	\$ (143,767)	(0.5%)
TOTAL ASSETS	\$ 46,411,296	\$ 47,821,441	\$ (1,410,145)	(2.9%)
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized deferred amount on refunding	\$ 608,495	\$ 625,880	\$ (17,385)	(2.8%)
LIABILITIES				
Current liabilities				
Accounts payable	\$ 97,900	\$ 118,474	\$ (20,574)	(17.4%)
Accrued interest payable	\$ 443,291	\$ 945,881	\$ (502,590)	(53.1%)
Accrued liabilities	\$ 732,748	\$ 689,569	\$ 43,179	6.3%
Unearned revenue	\$ 1,399,521	\$ 1,427,616	\$ (28,095)	(2.0%)
Bonds, notes and leases payable	\$ 2,850,000	\$ 2,685,000	\$ 165,000	6.1%
Total current liabilities	\$ 5,523,460	\$ 5,866,540	\$ (343,080)	(5.8%)
Noncurrent liabilities				
Bonds, notes and leases payable from restricted assets	\$ 38,014,872	\$ 40,872,198	\$ (2,857,326)	(7.0%)
Due to other governments	\$ 1,060,880	\$ 404,341	\$ 656,539	162.4%
Total noncurrent liabilities	\$ 39,075,752	\$ 41,276,539	\$ (2,200,787)	(0.3%)
TOTAL LIABILITIES	\$ 44,599,212	\$ 47,143,079	\$ (2,543,867)	(5.4%)
NET POSITION				
Net investment in capital assets	\$ (11,164,485)	\$ (13,695,659)	\$ 2,531,174	(18.5%)
Restricted for capital purposes	\$ 1,420,222	\$ 421,169	\$ 999,053	100.0%
Restricted for debt service	\$ 1,748,865	\$ 6,197,455	\$ (4,448,590)	(71.8%)
Unrestricted	\$ 10,415,977	\$ 8,381,278	\$ 2,034,699	24.3%
TOTAL NET POSITION	\$ 2,420,579	\$ 1,304,242	\$ 1,116,337	85.6%

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 March 31, 2025 and 2024

	Actuals				Original Budget		
	Three months ending March 31, 2025	Three months ending March 31, 2024	\$ Change	% Change	YTD Budget	Variance to Budget Favorable/ (Unfavorable)	%
OPERATING REVENUES							
Charges for services	\$ 5,160,792	\$ 4,688,206	\$ 472,586	10.1%	\$ 5,324,176	\$ (163,384)	-3.1%
Miscellaneous	\$ -	\$ -	\$ -		\$ -	\$ -	
Total operating revenues	\$ 5,160,792	\$ 4,688,206	\$ 472,586	10.1%	\$ 5,324,176	\$ (163,384)	-3.1%
OPERATING EXPENSES							
Supplies and contractual services	\$ 4,354,814	\$ 4,261,982	\$ 92,832	2.2%	\$ 4,201,684	\$ (153,130)	-3.6%
Depreciation	\$ 136,191	\$ 393,521	\$ (257,330)	-65.4%	\$ 412,154	\$ 275,963	67.0%
Total operating expenses	\$ 4,491,005	\$ 4,655,503	\$ (164,498)	-3.5%	\$ 4,613,838	\$ 122,833	2.7%
Operating income (loss)	\$ 669,787	\$ 32,703	\$ 637,084		\$ 710,338	\$ (40,551)	-5.7%
NONOPERATING REVENUES (EXPENSES)							
Intergovernmental contributions	\$ 981,585	\$ 162,964	\$ 818,621	502.3%	\$ 743,750	\$ 237,835	32.0%
Interest earnings	\$ 129,964	\$ 988,505	\$ (858,541)	-86.9%	\$ 177,670	\$ (47,706)	-26.9%
Excise Tax	\$ (86,852)	\$ (79,885)	\$ (6,967)	8.7%	\$ (91,710)	\$ 4,858	5.3%
Proceeds (Loss) from Sale of Capital Assets	\$ (7,575)	\$ -	\$ (7,575)	0.0%	\$ -	\$ (7,575)	-100.0%
Interest and fiscal charges	\$ (457,412)	\$ (488,655)	\$ 31,243	6.4%	\$ (474,178)	\$ 16,766	3.5%
Total nonoperating revenues (expenses)	\$ 559,710	\$ 582,929	\$ (23,219)	4.0%	\$ 355,532	\$ 204,178	57.4%
Change in net position	\$ 1,229,497	\$ 615,632	\$ 613,865	-99.7%	\$ 1,065,870	\$ 163,627	15.4%
TOTAL NET ASSETS - BEGINNING	\$ 1,191,080	\$ (2,199,968)	\$ 3,391,048	154.1%			
TOTAL NET ASSETS - ENDING	\$ 2,420,577	\$ (1,584,336)	\$ 4,004,913	252.8%			

Downtown Redevelopment Authority

(A Component Unit of the City of Vancouver)

STATEMENT OF CASH FLOWS

For the month ended March 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from operating activities	\$	4,899,380
Cash payments for goods and services		(4,340,986)
Net cash provided (used) by operating activities		<u>558,394</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Receipts from other governments		1,509,994
Payments to other governments		(86,852)
Net cash provided (used) by noncapital financing activities		<u>1,423,142</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal paid on capital debt		(2,685,151)
Interest paid on capital debt		(945,882)
Purchase of capital assets		0
Net cash provided (used) by capital and related financing activities		<u>(3,631,033)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Receipt of interest		140,299
Net cash provided (used) by investing activities		<u>140,299</u>

NET INCREASE (DECREASE) IN

CASH AND CASH EQUIVALENTS (1,509,197)

CASH AND CASH EQUIVALENTS - BEGINNING 15,766,924

CASH AND CASH EQUIVALENTS - ENDING \$ 14,257,727

Reconciliation of operating income (loss) to net cash used by operating activities:

Net operating income (loss)	\$	669,787
Adjustments to reconcile net operating income (loss) to net cash provided by operations:		
Depreciation expense		136,191
(Increase) Decrease in receivables		(233,317)
(Increase) Decrease in inventories		(1,553)
(Increase) Decrease in prepaid items		(7,224)
Increase (Decrease) in current payables		22,605
Increase (Decrease) in unearned revenue		(28,095)
Total adjustments		<u>(111,393)</u>
Net cash provided (used) by operating activities	\$	<u><u>558,394</u></u>

Flow of Funds and Operating Cash Pursuant to Trust Indenture
Financial Statement Period March 2025

	Account name	Beginning Balances (3/1/2025)	Ending Balances (3/31/2025)	April 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 6/30/2025	Excess/(Deficit) through 6/30/2025	Requirement Description
1	Operating Petty Cash Account	129,131	43,283	-	43,283	-	43,283	Remaining balance intended to cover automatically deducted banking/merchant charges.
2	Available Revenue Account & Lockbox Account	652,644	1,220,459	(659,498)	560,961	500,000	60,961	Must have \$500,000 balance as of 1st business day. Amount in cash balance after flow of funds includes Hilton management fee of \$60,989.76 which is withdrawn the 1st of every month separately.
3	Taxes and Insurance Fund	25,000	50,000	75,000	125,000	156,117	(31,117)	Cash moved throughout the year to cover estimated policy renewals due in 2025. Budget = \$312k total for 3 policies.
4	Administrative Expense Fund	50,000	50,000	32,617	82,617	50,000	32,617	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	204,241	238,871	551,881	790,752	1,689,334	(898,583)	Amounts required through 6/30/2025 represent debt service payments payable July 1, 2025 (interest only) , plus 6 months of amortized debt payments payable January 1, 2026 (principal + interest).
6	Tax Revenue Debt Service Fund	978,456	1,509,994	-	1,509,994	1,065,538	444,457	Amounts required through 6/30/2025 represent debt service payments payable July 1, 2025 (interest only) , plus 6 months of amortized debt payments payable January 1, 2026 (principal + interest).
7	Renewal and Replacement Fund	1,010,542	1,010,542	-	1,010,542	-	1,010,542	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	2,000,000	1,755,000	-	1,755,000	-	1,755,000	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	29	29	-	29	-	29	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.
10	Subordinate Renewal and Replacement Fund	409,680	409,680	-	409,680	-	409,680	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	4,871,039	4,871,039	-	4,871,039	-	-	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.
	Totals	13,330,761	14,158,897	(0)	14,158,897	3,460,989	2,826,868	
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	(336,162)	(528,410)	-	(528,410)	-	-	Represents the outstanding loan balance owed to the Clark County PFD as of month end.

Notes to Accompany Bank Balances

<p>1 <u>The Operating Petty Cash Account</u> 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 Operating Agreement.</p>	<p>6 <u>Tax Revenue Debt Service Fund</u> 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 attached.</p>	<p>11 <u>The Authority Reserve Fund</u> 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 depleted.</p>
<p>2 <u>The Available Revenue Fund</u> 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 Amount means \$500,000.</p>	<p>7 <u>The Renewal and Replacement Fund</u> 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 requirement is Pursuant to Appendix A of the Amended and Restated Trust Indenture.</p>	<p>12 <u>The Cash Trap Fund</u> 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 Fund are fully depleted.</p>
<p>3 <u>The Taxes and Insurance Fund</u> is maintained to ensure significant fund for annual insurance premiums when due. There is no requirement to maintain a minimum balance. Established pursuant to Section 5.03 of the Indenture.</p>	<p>8 <u>The Contingency Fund</u> 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 pay that obligation.</p>	<p>13a <u>The Authority Revenue Fund - additional</u> 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 Vancouver per the Lot 24 Parking License Agreement and costs related to major renovation projects planned for 2020-2022.</p>
<p>4 <u>The Administrative Expense Fund</u> is maintained to ensure monthly administrative obligations are funded when due. There is no stated minimum amount required to be maintained. Established pursuant to Section 5.03 of the Indenture.</p>	<p>9 <u>The Management Fee Fund</u> 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 Management Agreement outlines the on-going obligation.</p>	<p>13b <u>The County PFD Fund</u> 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 the County PFD in accordance with the County Interlocal Agreement.</p>
<p>5 <u>The Project Debt Service Fund</u> 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 Bond offering Official Statement is attached.</p>	<p>10 <u>The Subordinate Renewal and Replacement Fund</u> 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 Appendix A of the Amended and Restated Trust Indenture.</p>	
<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.</p>		

**VANCOUVER DOWNTOWN REDEVELOPMENT AUTHORITY VOUCHER AND
CAPITAL 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 capital merchandise or services hereinafter specified have been received and the vouchers listed below are hereby approved in the amounts of **\$13,612.87** this 17th day of April 2025.

PRESIDENT

SECRETARY/TREASURER

Natasha Ramras, EXECUTIVE DIRECTOR

BOARDMEMBER

HILTON VANCOUVER WASHINGTON 2024 CAPITAL PROJECT SUMMARY

PREPARED BY: **Krista Liles**

DATE: **February 1, 2025**

Contractor	Description of work	Project	Amount	Invoice Date	Invoice Number	Request #	Project #	Project type
Tatley Grund	Water Mitigation	Capital	\$11,128.37	12/11/2024	15043	10120251		Capital - Budgeted carryover from December
Ankrom Moisan	Water Mitigation	Capital	\$2,484.50	12/31/2024	91870	101253	231431	Capital - Budgeted carryover from December
Total			\$13,612.87					