

Agenda Item 1.3

BOARD OF COUNTY COMMISSIONERS BRIEFING PAPER

Topic: Wheat Ridge Clearvale URA

**Presented By: Abel Montoya, Director, Development and Transportation
and Chris O’Keefe, Director, Planning and Zoning**

Date: 9/10/2024

- For Information For Discussion/Board Direction Consent to
Place on Business/
Hearing Agenda

Issue: Executing a Tax Increment Revenue Agreement (Agreement) with the Wheat Ridge Urban Renewal Authority dba Renewal Wheat Ridge (RWR) whereby RWR retains 65% of the property tax increment revenue derived from the Clearvale Urban Renewal Plan (Plan) and the County receives 35% of the same increment.

Background: The City of Wheat Ridge (the City) and RWR are contemplating the creation of an Urban Renewal Area (URA) subject to the Plan. See Plan attached. Tax Increment Financing (TIF) is proposed to cover costs for demolition, remediation, infrastructure and construction of the project. The boundary of the URA includes West I-70 Frontage Road North to the north, West 44th Avenue to the south, Garrison Street to the west, and Wadsworth Boulevard and Clear Creek to the east. The vision for the Plan area, as set forth in the City’s *44th Avenue Subarea Plan* is to create an industrial employment node and commercial corridor. The purpose of the Plan is to address blight existing within the URA boundary, through private development, and to offset costs for redevelopment and economic growth, using TIF. The Plan will address remediation within the Clear Creek Floodplain and Floodway which could allow most properties to be removed from the floodway. There are two proposed development scenarios being considered for determining costs and revenues of the Plan. Both scenarios contain a mix of commercial and industrial development. As with all development in Jefferson County, there will be costs to the County for the provision of services including those provided by Assessor, District Attorney, Human Services, Clerk and Recorder, Library, Public Health, Treasurer and the Sheriff.

Discussion: Pursuant to state law, RWR provided the Jefferson County Impact Report for the Clearvale Urban Renewal Area (Impact Report). See Impact Report attached. This report summarizes the expected fiscal impacts of the Plan for the County. With respect to County services, the Impact Report estimated a modest financial outlay without much detail.

Since Jefferson County provides services for the Plan area, Staff has prepared estimates (see attached presentation) for the costs anticipated to be associated with those services. Based on these rough estimates, splitting the County tax increment revenue with 65% to the RWR, and 35% to the County will almost pay for the services

that the County will continue to provide to the URA during the course of the development and until year 2048.

Fiscal Impact: **yes** **no**

(If “yes”, include bulleted list below with concise descriptions for each. If “no”, then the bulleted list may be removed).

- Year of impact: beginning 2028
- TABOR impact: unknown
- Existing grant or project: no
- New grant or project: no
- Requested in adopted budget: no
- Ongoing or one-time: N/A
- General Fund impact: beginning in 2028
- Staffing impact: none
- ARPA impact: none
- Match requirements: none
- Mandate/Contractual obligation: none

Revenue Limits Impact: **yes** **no**

SPA Review: Brett Deady: SPA supports, with concern. Possible TABOR impacting revenue, amount will be determined after the agreement is drafted and a TIF percentage amount is proposed.

County Attorney Review: Kristin Cisowski, 090324

Facilities Review: Mark Danner: No Impact

BIT Review: N/A

Fleet Review: Janice Mayer: No Fiscal Impact

Human Resources Review (new FTE only):

Recommendations: Give staff direction to place a Tax Increment Revenue Agreement, under which the County shares the tax increment revenue derived from the URA Plan development, with RWR, on an upcoming public meeting agenda for Board approval. Staff recommends that 65% of the projected tax increment revenue be retained by RWR and 35% of the increment be returned to the County. Pursuant to state statute, if the parties don't reach an agreement for tax increment revenue sharing, the parties will proceed to mediation ahead of a public meeting.

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