



# Council Agenda Summary

April 4, 2023

Key Staff Contact: Becky Safarik, Interim Community Development Director

## Title:

Introduction and first reading of an Ordinance extending the period during which the Greeley Downtown Development Authority may allocate and collect tax increment financing for the Downtown Development Authority Area within the City of Greeley

## Summary:

The Greeley Downtown Development Authority (DDA) was established in 1998. An associated Plan of Development was approved by the City Council in November 2002, establishing 2003 as the property tax increment base assessment year. State law allows downtown development authorities to collect tax increment revenue from new construction, change of taxable status or change in land use entitlements that is in excess of the base year for thirty years. This places the final year for such tax increment collection for the Greeley DDA at 2033 (with taxes received by the DDA in 2034). State law also allows municipalities to grant a 20-year extension in the last 10 years of the initial 30-year period. Many other Colorado cities have taken advantage of this opportunity to retain a dedicated income stream to support private investment in their downtowns. Tax increment funds can be used to support a broad range of eligible redevelopment activities consistent with the originally adopted Plan of Development.

The Greeley DDA requests Council approval to extend the DDA tax increment district for twenty years consistent with state law, for which it is now eligible.

Over the life of the Greeley DDA tax increment district, the Authority has devoted its tax increment funds for major redevelopment projects such as the DoubleTree Hotel, Maddie Apartments, 55 Resort Apartments, and over a dozen significant building rehabilitation projects. The tax increment funds have also been used for matching façade grants for storefronts, public art, tree lighting, wayfinding, and other streetscape improvements throughout the district.

On September 2, 2008, City Council passed and adopted the DDA's call for a special mail ballot election on November 4, 2008 for the purpose of submitting two ballot measures to the qualified electors of the Greeley Downtown Development Authority District. Qualified electors voted in favor of both a five mill levy on all real and personal property and \$50,000,000 debt to finance the objects and purposes contained in the DDA's Plan of Development. The mill levy has provided a means to help support the operation of the DDA. There is no sunset on this 5-mill assessment as long as the DDA is in existence.

The DDA is charged with furthering the mission to create, support and promote meaningful experiences, business growth and private development. The City of Greeley recently approved an update to the previous Downtown Investment Strategy with an ambitious set of objectives for the next 10 years. To capitalize on that momentum and work plan, it is important to have a

sustainable and somewhat predictable income stream to stimulate private reinvestment in the downtown. The DDA TIF dollars are the first funds tapped for downtown redevelopment projects and to support those projects that don't qualify for additional City support. With a large percentage of the DDA District comprised of tax-exempt properties (39% in 2022) the importance of this resource cannot be overstated.

**Fiscal Impact:**

Does this item create a fiscal impact on the City of Greeley?	N/A
Is there grant funding for this item?	N/A

**Legal Issues:**

Consideration of this matter is a legislative process.

**Other Issues and Considerations:**

This item is also scheduled for a broader discussion at the April 11, 2023 Council Work Session.

**Strategic Focus Area:**



**Business Growth**



**Community Vitality**



**Quality of Life**

**Decision Options:**

- 1) Introduce the ordinance as presented; or
- 2) Amend the ordinance and introduce as amended; or
- 3) Deny the ordinance; or
- 4) Continue consideration of the ordinance to a date certain.

**Council's Recommended Action:**

A motion to introduce the ordinance and schedule the public hearing and second reading for April 18, 2023.

**Attachments:**

Ordinance