



# Town of Johnstown

## TOWN COUNCIL CONSENT AGENDA COMMUNICATIONS

---

**AGENDA DATE:** August 29, 2022

**SUBJECT:** 2<sup>nd</sup> Reading – Ordinance 2022-237. An Ordinance Amending The Town Of Johnstown Municipal Code Concerning Town Sales Taxes To Provide A Credit Against Sales Tax If A Certain Public Improvements Fee Has Been Paid In Connection With The Development Known As Ledge Rock Center; Repealing And Replacing Ordinance No. 2022-231

**ATTACHMENTS:** 1. Ordinance 2022-237

**PRESENTED BY:** Matt LeCerf, Town Manager

---

### AGENDA ITEM DESCRIPTION:

Enclosed for your consideration is Ordinance 2022-237. Ordinance 2022-237 will repeal and replace Ordinance 2022-231. Ordinance 2022-231 provided authorization by the Town to contribute 2.0% of the Town's 3.0% General Fund (GF) Sales Tax for the benefit and construction of public improvements within the Ledge Rock Center development. This contribution is commonly referred to as a Credit PIF.

Ordinance 2022-237 proposes an increase in the Credit PIF by the Town from 2.0% to 2.75%. The request which was made by the developer to consider increasing the Credit PIF is because of the facts that construction costs have increased substantially since the initial agreement was developed, but even more challenging was the significant increase in interest rate of the bond market. The modification of the Credit PIF from 2.0% to 2.75% is anticipated to last no longer than 10 years and based on the market, the District would be required to refinance at a lower interest rate.

Ordinance 2022-237 was approved on First Reading on August 19, 2022 by Johnstown Town Council.

### LEGAL ADVICE:

*The Community That Cares*

[www.TownofJohnstown.com](http://www.TownofJohnstown.com)

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

The ordinance was drafted by the Town Attorney in consultation with Special Counsel and Staff.

**FINANCIAL ADVICE:**

Approval of Ordinance would in the interim decrease the GF Sales Tax to the Town as described above.

**RECOMMENDED ACTION:** Approve Ordinance 2022-237 upon second reading.

---

*Reviewed and Approved for Presentation,*



---

Town Manager

*The Community That Cares*

[www.TownofJohnstown.com](http://www.TownofJohnstown.com)

P: 970.5127.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.5127.0141