

Council Request Update

June 2, 2016

Council Request 16-117 (TIF issues General Iron Works)

Requested by: Mayor Jefferson

Assigned to: City Manager's Office

Request: Request for the City Manager to analyze TIF issues related to General Iron Works.

Response: City Manager Eric Keck outlines TIF issues related to General Iron Works in the attached response.

2016 COUNCIL REQUESTS

Number	Request Date	Request Type	Requested by	Request	Assigned To	Due Date	Follow-up Date	Date Completed
16-031	1/19/2016	I	Barrentine	Legal Opinion - EURA Council Representative	CAO	1/22/2016		
16-032	1/12/2016	I	Russell	City Ditch - Oxford Repairs	PW	1/14/2016		1/21/2016
16-033	1/25/2016	I	Barrentine	EEF/EMRF Funds and By-Laws	EEF/EMRF	1/29/2016	3/1/2016	3/1/2016
16-034	1/25/2016	I	Barrentine	Board & Commission Eligibility Study Session	CMO	1/29/2016		1/27/2016
16-035	1/25/2016	I	Olson	StrengthsFinder/Birkman Assessment Costs	CMO	1/29/2016		3/17/2016
16-036	2/1/2016	I	Jefferson	Background: ERC Preschool Discontinuation	PRL	2/4/2016		2/3/2016
16-037	2/1/2016	I	Martinez	Study Session: Recreational Marijuana	CMO	2/4/2016		2/3/2016
16-038	2/1/2016	I	Gillit	Study Session: Council policies/conduct	CMO	2/4/2016		2/3/2016
16-039	2/1/2016	I	Barrentine	Charter Review - Council Voting/Abstentions	CAO	2/4/2016		
16-040	2/1/2016	I	Olson	Study Session: Green Vehicle Policy Review	CMO/PW	2/4/2016		2/3/2016
16-041	2/1/2016	I	Yates	Background: Public Intoxication Ordinance	PD	2/4/2016		2/2/2016
16-042	2/1/2016	I	Russell	Sewer Issue - 3400 block South Broadway	CD	2/4/2016		2/3/2016
16-043	2/1/2016	I	Jefferson	Business Notification of Regulation Changes	CMO/ALL	2/4/2016		2/3/2016
16-044	2/1/2016	I	Martinez	Service Line Warranty Cancellation Letter	CMO	2/4/2016		2/24/2016
16-045	2/1/2016	I	Martinez	Clayton Elementary Street Conditions (snow)	PW	2/4/2016		2/23/2016
16-046	2/1/2016	I	Martinez	CityCenter Evening Meeting Security	PD/EEF	2/4/2016		3/21/2016
16-047	2/1/2016	I	Council	Citizen of the Century Selection Information	CMO	2/4/2016		2/3/2016
16-048	2/3/2016	I	Jefferson	Englewood Depot Snow Removal Inquiry	PR	2/5/2016		3/4/2016
16-049	2/9/2016	I	Yates	Construction Defects Ordinance	CAO	2/12/2016		
16-050	2/13/2016	I	Barrentine	Economic Development Incentives Inquiry	CD	2/16/2016		2/16/2016
16-051	2/16/2016	S	Barrentine	Mayor/Manager/Attorney Mtg. Audio	CMO	2/19/2016		2/19/2016
16-052	2/16/2016	S	Barrentine	Meeting Audio Solution	CMO/IT	2/19/2016		2/23/2016
16-053	2/16/2016	S	Olson	Simon Center Sexual Harrassment Claims	PD	2/19/2016		2/19/2016
16-054	2/16/2016	S	Barrentine	Paseo Fence Inquiry	CD	2/19/2016		2/19/2016
16-055	2/22/2016	I	Council	FunFest Follow-up	PRL	2/25/2016		2/24/2016
16-056	3/1/2016	I	Barrentine	Paseo Fence Inquiry - Follow-up	CD	3/3/2016		3/2/2016
16-057	3/3/2016	S	Jefferson	Floyd & Bannock Code/Crime Concerns	PD	3/4/2016		3/7/2016
16-058	3/14/2016	I	Jefferson	Cherokee Kivas Construction Project Update	CD	3/17/2016		3/17/2016
16-059	3/14/2016	I	Olson	OpenEnglewood Statistics	FAS	3/17/2016		3/15/2016
16-060	3/14/2016	I	Olson	Comp. Plan Clarification - Belleview/Broadway	CD	3/17/2016		3/17/2016
16-061	3/14/2016	I	Jefferson	Microphones - Community Room	CMO	3/17/2016		3/15/2016
16-062	3/14/2016	I	Jefferson	Denver Fire - Late-night Lights and Sirens	CMO/PW	3/17/2016		4/7/2016
16-063	3/16/2016	I	Gillit	S. Lipan Code Violations - Trash	PD	3/21/2016		3/23/2016
16-064	3/18/2016	I	Gillit	3398 W. Grand Ave. -Remodelling Permit	CD	3/22/2016		3/18/2016

S = Service
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Utilities; WW - Wastewater Treatment Plant

Number	Request Date	Request Type	Requested by	Request	Assigned To	Due Date	Follow-up Date	Date Completed
16-065	3/21/2016	I	Council	Inquiries re: Marijuana Social Clubs	CAO	3/24/2016		4/11/2016
16-066	3/21/2016	I	Olson	Revenue Comparison Chart	FAS	3/24/2016		3/30/2016
16-067	3/21/2016	I	Olson	Financial Report - Color Consistency	FAS	3/24/2016		3/30/2016
16-068	3/21/2016	I	Barrentine	Code Enforcement Stats - Last 12 years	PD	3/24/2016		3/31/2016
16-069	3/21/2016	I	Barrentine	Alta Cherry Hills - Map Corrections	CD	3/24/2016		3/30/2016
16-070	3/21/2016	I	Yates	City Ditch/Private Property Fencing	UT/PW	3/24/2016		4/18/2016
16-071	3/21/2016	I	Council	Economic Development Incentive Policy Update	CD	3/24/2016		3/24/2016
16-072	3/28/2016	I	Jefferson	ACE Business Survey Results to Council	CD	3/31/2016		3/29/2016
16-073	3/28/2016	I	Olson	Street Conditions - Xcel Energy Follow-up	PW	3/31/2016		4/1/2016
16-074	3/28/2016	I	Jefferson	Englewood Marketing Plan	CMO/CD	3/31/2016		3/30/2016
16-075	3/28/2016	I	Barrentine	Littleton Police Facility Renovation	CMO	3/31/2016		4/29/2016
16-076	3/29/2016	I	Olson	Economic Incentives Analysis	CD/FAS	3/31/2016		4/27/2016
16-077	4/5/2016	I	Olson	Equal Employment Opportunity- Job Posts, EEO La	FAS	4/8/2016		
16-078	4/5/2016	I	Olson	Cherokee Kivas - Meeting Update	BD/CMO/CA/CD	4/8/2016		4/11/2016
16-079	4/5/2016	I	Council	New Comp Plan - Arts & Crafts Home Preservation	CD	4/8/2016		4/6/2016
16-080	4/5/2016	I	Gillit	Checklist for building projects/remodels	BD	4/8/2016		4/7/2016
16-081	4/5/2016	I	Yates	Over-the-counter permitting for 10 most Common	BD	4/8/2016		4/7/2016
16-082	4/5/2016	I	Barrentine	Report of all EMRF expenses since 1999	FAS	4/8/2016		4/20/2016
16-083	4/6/2016	S	Jefferson	E-Notifications for Community Development News/Communications		4/8/2016		4/6/2016
16-084	4/7/2016	I	Gillit	4856 S. Lipan St. trailer parked illegally in front of a	PD	4/11/2016		4/7/2016
16-085	4/11/2016	I	Gillit	Status and type of tenant that will use space at Oxf	CD	4/14/2016		4/11/2016
16-086	4/11/2016	I	Jefferson	Englewood specific unemployment stats	CMO	4/15/2016		5/9/2016
16-087	4/11/2016	I	Olson	Impact of industrial development in a 1st tier subur	CD	4/15/2016		4/14/2016
16-088	4/11/2016	I	Olson	A primer sheet on the PUD process	CD	4/15/2016		4/14/2016
16-089	4/11/2016	I	Jefferson	Residential development positive/negative to a co	CD	4/15/2016		4/14/2016
16-090	4/11/2016	I	Council	Will TIF be generated from General Ironworks site?	CD/FAS	4/15/2016		5/4/2016
16-091	4/11/2016	I	Russell	Role of Council liaison to a Board/Commission	CMO	4/15/2016		4/27/2016
16-092	4/12/2016	I	Yates	What code requires the use of General Contractor	CD	4/15/2016		4/13/2016
16-093	4/12/2016	I	Yates	Cost to have SAFEbuilt run Building Department	CD/FAS	4/15/2016		
16-094	4/18/2016	I	Barrentine	Process of moving alternate to regular on B&Cs	CMO	4/21/2016		4/19/2016
16-095	4/18/2016	I	Yates	Provide the code that requires the use of General C	CD	4/21/2016		4/21/2016
16-096	4/21/2016	S	Jefferson	Get the lights working on gateway entry sign 2700 S	PR&L	4/26/2016		5/6/2016
16-097	4/25/2016	I	Russell	List of all zone changes in past 5 years	CD	4/28/2016		4/28/2016
16-098	4/25/2016	I	Barrentine	Unsafe tree 4898 S. Lincoln St.	CAO/PD	4/28/2016		
16-099	4/28/2016	I	Barrentine	Minutes from Council meeting re: Eminent domain	CD	5/3/2016		4/29/2016
16-100	4/28/2016	I	Barrentine	The process which established Englewood Housing	CAO/CMO	5/3/2016		

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16-101	5/9/2016	I	Yates	What kind of home improvements are ok without a	CD	5/12/2016		5/11/2016
16-102	5/9/2016	I	Barrentine	Look into a library fine	Library	5/12/2016		5/10/2016
16-103	5/11/2016	I	Barrentine	Does Downtown Development Authority still exist?	CD	5/16/2016		5/12/2016
16-104	5/11/2016	I	Barrentine	Does the special fund for collection of TIF still exist?	CD	5/16/2016		5/12/2016
16-105	5/11/2016	I	Barrentine	Why use a failed marketing concept from 1982 in pr	CD	5/16/2016		5/12/2016
16-106	5/11/2016	I	Barrentine	Do covenants mentioned on page 30 of Downtown	CD	5/16/2016		5/12/2016
16-107	5/11/2016	I	Barrentine	Does Medici have zoning in place? Is zoning consist	CD	5/16/2016		5/12/2016
16-108	5/11/2016	I	Barrentine	Was the permanent management structure on pag	CD	5/16/2016		5/12/2016
16-109	5/11/2016	I	Barrentine	Details on sales tax increment collected from Cinde	CD	5/16/2016		5/12/2016
16-110	5/11/2016	I	Barrentine	If TIF has expired, verify no funds, taxes or any incre	CD	5/16/2016		5/12/2016
16-111	5/13/2016	I	Yates	List the number of DUIs and fatalities by drivers co	PD	5/18/2016		5/16/2016
16-112	5/23/2016	I	Barrentine	Verbiage related to historic preservation removed f	CD	5/26/2016		5/26/2016
16-113	5/23/2016	I	Jefferson	P&Z examine lot coverage and bulk plane analysis	CD	5/26/2016		
16-114	5/23/2016	I	Olson	City Manager update on operational plan progress	CMO	5/26/2016		
16-115	5/23/2016	I	Barrentine	Analysis for housing in industrial areas and MU B1	CD	5/26/2016		5/26/2016
16-116	5/23/2016	I	Yates	What Kimco could do with their property under MU	CD	5/26/2016		5/26/2016
16-117	5/23/2016	I	Jefferson	City Manager analyze TIF issues related to General I	CMO/CD	5/26/2016		6/2/2016
16-118	5/31/2016	I	Gillit	Chicken waste and chicken odor in alley behind Aco	PD	6/6/2016		

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TO: Honorable Mayor and Members of the City Council

FROM: Eric A. Keck, City Manager

DATE: 1 June 2016

SUBJECT: Council Request 16-117 Englewood Ironworks and TIF

As requested by the City Council, I investigated the tax increment finance implications associated with the Englewood Ironworks Urban Renewal Area also known as the General Ironworks site. In an effort to obtain information on this matter and understand the issue, I established a meeting with Arapahoe County Assessor Corbin Sakdol and his Deputy Assessor Monica Babbitt on Thursday 26 May 2016. The meeting was very positive and helpful in understanding the County's perspective on how they manage urban renewal areas. We reviewed the Assessor Reference Library which essentially is the guidance document for the management of tax increment finance (TIF). We also went over the base valuation and increment for the Englewood Ironworks site.

In our discussion of the Englewood Ironworks URA, it was noted that the original plan for the area has never come to fruition. It referenced the construction of a light rail station at Bates Avenue and a Transit Oriented Development (TOD) would be constructed at the General Iron Works site. Now that it is known that RTD does not have funding through FasTracks to fund the project, the entire cost would need to be carried by a private developer, the City, or the URA. Given that the plan is nearing 16 years old, the remaining 9 years will not yield adequate tax increment to cover the cost of a station, or other substantial public improvements. In my experience with redevelopment, a solid plan is key to the success of a tax increment finance project. In the absence of a plan for public improvements, it creates anxiety for those taxing entities that are foregoing the additional tax base as well as the citizens of a community who need to know how their tax dollars are being managed and spent. The lack of TIF area plans has contributed to the divisive relationship between cities and counties and the legislative response to the matter that transpired during the 2015 legislative session.

The City of Englewood needs to watch the Englewood Ironworks site's generation of tax increment very closely. While the project is currently not generating any increment due to the fact that its current assessed value and base value is negative \$464,298. However, this will change with the construction of the Foundry Apartment complex. The valuation of real estate occurs on 1 January each year and the Assessor is required by statute to follow a market valuation and not an occupancy valuation. So the valuation of the Englewood Ironworks site will most likely generate increment in 2017 and going forward for the remaining nine years of TIF eligibility in the area. The question then will become what to do with the increment that is generated given that there are no plans for TIF funded public infrastructure improvements within this area. Having said this, there are two routes that the Englewood Urban Renewal Authority and City could take. First, Intergovernmental Agreements (IGAs) could be entered into with all of the taxing entities that have levy authority in Englewood to return increment that is generated.



This concept does bring with it some challenges as the return of any funding may be perceived as an end around of the TABOR statutes. Second, the City Council could move to dissolve the Englewood Ironworks Urban Renewal Area altogether which would then subject any new development that occurs within the urban renewal area to the standard tax valuation formulas utilized in determining the annual tax levy. Council will want to have a higher level legal analysis of these options as well as public discussion prior to any action taken on the matter. Please note that in the opinion of the County Assessor, the second option would be a cleaner path forward so as to help avoid any TABOR challenges with the return of tax increment. Staff will await direction of the entire Council on this matter but a study session on this topic with the EURA may be in order prior to 2017.

Please do not hesitate to contact me with any questions or concerns with this request.