

# LDDA Board Communication

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**Meeting Date: Wednesday, August 23, 2023**

**Current Incentive Fund Availability:**

Retail Conversion: \$41,587	Signage: \$6,430	DIP: \$485,160	Alleyscape: \$11,089
Residential: \$19,749	Safe Re-opening: \$6,175	TIF: \$3,489,079 (net projected available)	

**Agenda Item: Annexation - 704 Main St.**

**Executive Summary:** The property owner of 704 Main St. expressed interest in annexing the property into the LDDA boundaries. This property is located in the northeast corner of Main and Longs Peak. It is currently the location of First Cash Pawn. The owners envision splitting the space into three storefronts and keeping it retail and/or commercial use. Attached in the packet are in petition and inclusion documents signed by the property owner.

**Recommended Motion:** Approve resolution for inclusion and make recommendation to Planning Department and Longmont City Council to expand the boundaries of the LDDA.

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**Agenda Item: LDDA TIF Extension**

**Executive Summary:** On August 7, 2023, SB23-175 - Financing of Downtown Development Authority Projects, came into effect. <https://leg.colorado.gov/bills/sb23-175>

**BILL SUMMARY**

A downtown development authority (authority) may use a tax increment financing (TIF) arrangement to generate capital by dedicating growth in property tax or sales tax revenue for a period of 30 years with the option for one 20-year extension. For property tax revenue only, the act creates the option for additional 20-year extension periods during which an authority may use a TIF arrangement if the governing body of the municipality that created the authority extends the period by ordinance. The first additional 20-year extension period may begin upon the expiration of the original 20-year extension.

For the additional 20-year extension periods authorized by the act, 50% of the incremental revenue generated from the TIF arrangement is allocated to a special fund of the municipality that created the authority (special fund) to be used to finance projects within the boundaries of the authority and the other 50% of the incremental revenue is allocated to the other governmental entities that levy property taxes within the boundaries of the authority, unless the municipality and all of the other governmental entities reach an alternative agreement requiring a greater percentage of the incremental revenue to be credited to the special fund. For a 20-year extension period authorized by the act, the base year revenue is recalculated every year.

The act allows a municipality and an authority to enter into an intergovernmental agreement through which the municipality may delegate to the board of the authority the power to incur debt and to pledge money in a special fund of the municipality for the payment of the debt.

During a 20-year extension period authorized in the act, the authority is under the supervision and control of a board consisting of not less than 9 and not more than 13 members, which is between 4 and 8 additional board members compared to when there is not a 20-year extension period authorized in the act. Of the additional board members, one must be a member of the board of county commissioners of the county in

which the authority is located, and one must be a member of the school district board of education of the school district in which the authority is located. The other additional board members are appointed by the governing body of the municipality that created the authority.

Staff would like to present this 20-year extension to City Council during its budget hearings in September. A draft ordinance has been created. By enacting the extension now, it allows the DDA Board to consider a longer term of TIF reimbursement for impactful projects throughout the district.

**Recommended Motion:** Approve resolution to extend TIF collection.

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### **Agenda Item: LDDA Bylaw Changes**

**Executive Summary:** An update of the LDDA Bylaws is proposed. See attached document. Changes include:

- Making updates for remote, hybrid or in-person meetings
- Updating financial policies with City Purchasing/LDDA guidelines
- Updating posting location
- Updating ex-officio positions
- Board may want to consider updating 6.220 “Vouchers” - to “Contracts.”

**Recommended Motion:** Approve change to bylaws as Amended.

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### **Agenda Item: LDDA Board Elections**

**Executive Summary:** The current leadership of the LDDA Board is willing to serve another year, including:

Chairman: Chris McGilvray

Vice Chairman: Joseph Perrotto

Secretary: Emelie Torres (staff appointee)

Executive Committee: Chris McGilvray, Joseph Perrotto, John Creighton

Other Board Roles:

Kirsten Pellicer - Retail Committee

Wes Parker - Residential Committee

Jim Wardell - Volunteer (events)

**Recommended Motion:** Approve as Presented