

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 16

DATE: November 21, 2006

STAFF: Carol Tunner

SUBJECT

Resolution 2006-117 Agreeing to Act as a Reviewing Entity for Properties Located Within the Downtown Development Authority Boundaries for the State Income Tax Credit Program for Qualifying Rehabilitation Projects.

RECOMMENDATION

Staff recommends adoption of the Resolution. On October 26, 2006, the Landmark Preservation Commission voted to recommend adoption of the Resolution.

EXECUTIVE SUMMARY

This Resolution states the City of Fort Collins chooses to be a reviewing entity for the Colorado Historic Preservation Income Tax Credit within the Downtown Development Authority boundaries during the next calendar year.

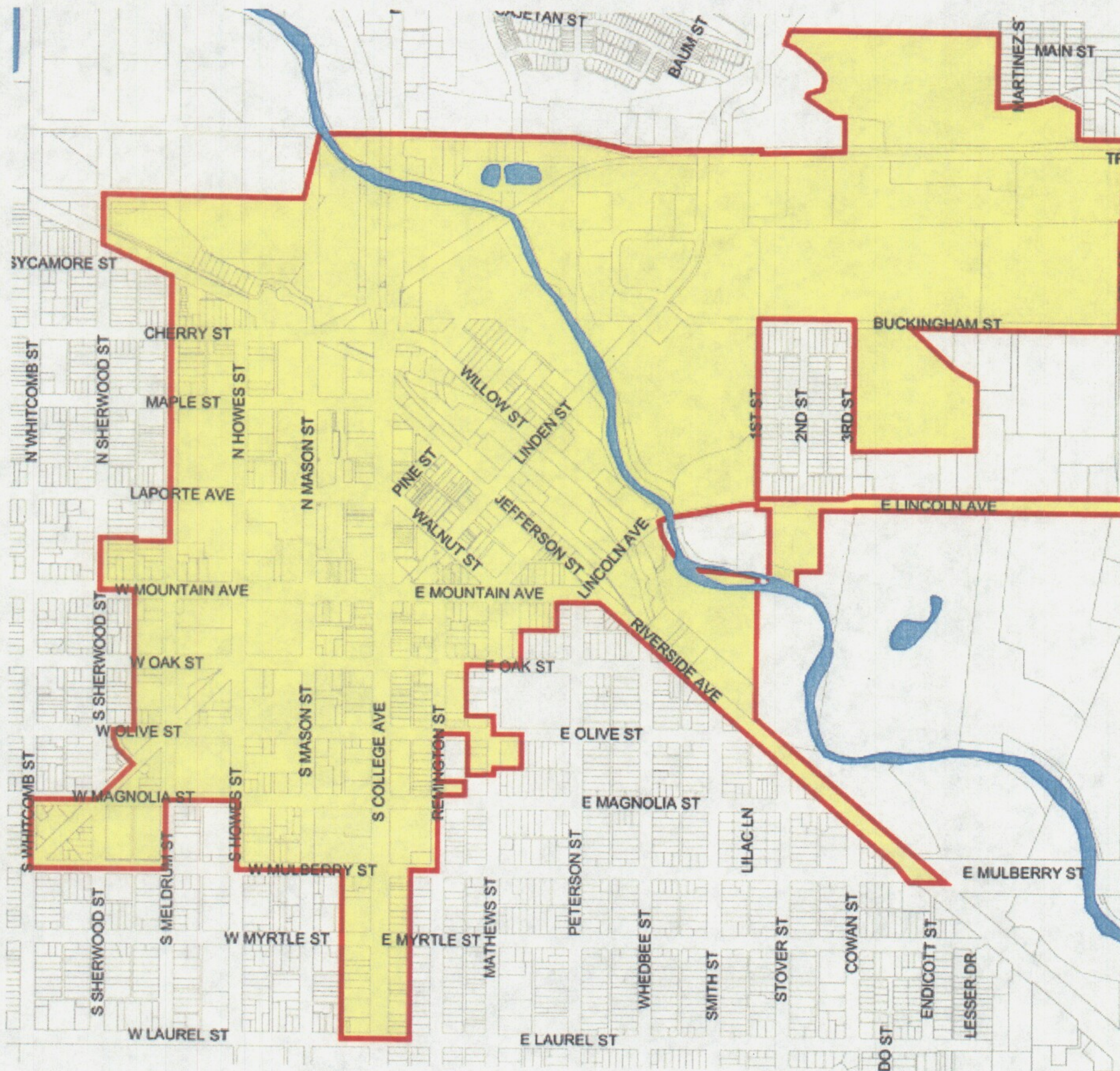
BACKGROUND

Fort Collins became a Certified Local Government in 1991, when the Colorado Income Tax Credit was instituted, but did not take on the reviewing entity function for this program until 1995. For three years, the Landmark Preservation Commission was the reviewing entity and performed design review on qualifying historic rehabilitation projects in Fort Collins for the Colorado Income Tax Credit. The City declined the review from 1998 through 2005 because staff resources were dedicated to higher priority local preservation activities. In 2005, the City decided to accept the design review function in 2006 for properties within the Downtown Development Authority (DDA) boundaries.

The decision to accept review in 2006 for business applicants within the DDA boundaries was based on Budgeting For Outcomes offer #324, HISTORIC PRESERVATION PROGRAM FOR OLD TOWN COMMERCIAL PROPERTIES. This proposed new service providing City processing of State Tax Credits will provide a financial incentive for developers of historic properties within the DDA boundaries. Currently, to use the state tax credit, the developers work with the Colorado Historical Society by mail and phone. Local processing will streamline the tax credit review, saving property owners time and money. A further benefit to the City is that the City will recover an administration fee which helps offset the administrative costs of this component of the offer.

On October 25, 2006, the Landmark Preservation Commission discussed this function and made the decision to recommend that the City again accept the reviewing entity function for the Colorado Historic Preservation Income Tax Credit in 2007 for properties within the DDA boundaries. The City is required to maintain a "preservation fund" of fees collected for the service. Fees are set by state legislation, but collected by the local government to be used for expenditures incurred in the performance of the design review duties. Fees range from \$250 to \$750 depending on the cost of the project.

The reviewing entity function for the rest of the City will still be performed by the Colorado Historical Society staff for the 2007 calendar year so that the program will be available to all Fort Collins' citizens.



DOWNTOWN DEVELOPMENT AUTHORITY
BOUNDARY

RESOLUTION 2006-117
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AGREEING TO ACT AS A REVIEWING ENTITY FOR PROPERTIES
LOCATED WITHIN THE DOWNTOWN DEVELOPMENT AUTHORITY
BOUNDARIES FOR THE STATE INCOME TAX CREDIT PROGRAM
FOR QUALIFYING REHABILITATION PROJECTS

WHEREAS, the Fort Collins Landmark Preservation Commission and the City Council support the creation of incentives to assist in the preservation and protection of historically significant resources; and

WHEREAS, Colorado Revised Statute Section 39-22-514 establishes tax credits for historic structures throughout the state; and

WHEREAS, the City of Fort Collins, as a Certified Local Government, pursuant to the provisions of 16 U.S.C. § 470 (a) (C) (1), as amended, is eligible to review such rehabilitation tax credit projects as a reviewing entity; and

WHEREAS, the provisions of C.R.S. § 39-22-514(10)(a) require that each Certified Local Government adopt annually a resolution stating whether such Certified Local Government will act as a reviewing entity during the following twelve (12) months; and

WHEREAS, the Fort Collins Landmark Preservation Commission, as the City of Fort Collins's official review board for historic resources, endorses rehabilitation project reviews at the local level, which provide an increased level of preservation service to our community.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT COLLINS that the City of Fort Collins, through the Landmark Preservation Commission, hereby agrees to act as a reviewing entity for properties within the Downtown Development Authority boundaries for the purposes of subsections (3) and (6) of C.R.S. § 39-22-514 for calendar year 2007. The City will maintain the "preservation fund" as required by C.R.S. § 39-22-514(11)(a), for use in administering the program and to provide information and education to the community within the context of historic preservation.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 21st day of November, A.D. 2006.

Mayor

ATTEST:

City Clerk