

SUBJECT

Resolution No. 037 Adopting Policies and Procedures for the Fort Collins Urban Renewal Authority.

EXECUTIVE SUMMARY

In May 2010, the Urban Renewal Authority (URA) Board approved a thorough revision to the Policies and Procedures (Policies) from the original policies created in 2006. At the May 17, 2011 URA Board meeting, it was decided that the Policies should have more detail regarding green building practices and therefore should come back to the URA Board for more revisions. Staff received feedback at the June 14, 2011 work session to modify the language as proposed by the URA Board. These Policies are intended to give guidance to the eligible developments and objectives of the URA to applicants, staff, citizens and the URA Board for decision making purposes.

BACKGROUND / DISCUSSION

The URA Board approved the first version of Policies in August 2006. Originally, the URA Board formed an ad-hoc committee to create a mission statement and develop general policies. Those Policies have since guided the URA in the initial stages of preparing for future URA projects. There are now several approved URA projects that both the URA team and staff felt needed more clarification and direction when guiding applicants through the process.

In 2010, the URA Board approved the Policies document that is used today. The changes from the original 2006 version were significant. Both versions are attached to this Agenda Item Summary for review.

2010 changes:

- Clear introduction with explanation of the purpose of the Policies and Procedures.
- Clear distinction of the objectives, goals, and eligible development and costs.
- Inclusion of green building techniques.
- Establish evaluation criteria
 - Financial feasibility (establishment of a threshold for projects that need proforma analysis)
 - Policy assessment
 - Local ownership criteria changed from Larimer County to 40 mile radius from the City of Fort Collins Growth Management boundary.
 - All payments will be issued on a reimbursement basis at the issuance of Certificate of Occupancy, unless otherwise determined by the URA Board.
- Inclusion of the URA application questions.
- Step-by-step process illustration.

This document has been highly successful in setting clear expectations of the type of application and project the URA will consider.

The 2011 revision contains the following changes:

- Assuring Development is consistent with City Plan and the Urban Renewal Plans.
- Promote green building and above code energy efficiencies.
- Green Development which exceeds adopted code minimums; using the various available rating systems.
- Clarification of the acceptable affordable housing requirements to exceed existing standards defined in the Land Use Code.
- Inclusion of revised mission statement from 2006.
- Applicant must be in the City's Development review process.
- State intended waste diversion and/or deconstruction methods of the project.

- Require a Construction Waste Management Plan for both existing development and new construction projects to ensure proper methods of waste reduction, reuse and recycling will occur for all URA projects.
- All URA projects must comply with the Green Building Code from the date the policies are adopted, including prior to City wide adoption January 1, 2012

FINANCIAL / ECONOMIC IMPACTS

This proposal will increase the economic impact the URA application process can have on a proposed development. The improved process will enhance customer service to the applicants, provide sound direction through the process, and foster effective partnerships through clear communication. The additional social value will be for the staff, advisory group, and URA Board to make informed recommendations and decisions based on a clear set of guidelines.

ENVIRONMENTAL IMPACTS

Ultimately, the benefit will be positive to the environment as each project will increase the level of quality and sustainability of all publicly funded URA projects.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

ATTACHMENTS

1. 2010 URA Policies and Procedures
2. 2006 URA Policies
3. Work session Summary June 14, 2011
4. Power Point Presentation

FORT COLLINS **URA** POLICIES & PROCEDURES FOR APPLICANTS

MAY 18, 2010

SECTION 1 – INTRODUCTION

This policy is to provide guidance for the Fort Collins Urban Renewal Authority (URA) staff, Citizen Advisory Group (North College), and URA Board (Board) in considering, reviewing and processing applications that seek to use Tax Increment Financing (TIF) assistance for development activities within the designated plan areas. The URA Board will have the option of amending or waiving sections of this document when determined necessary or appropriate.

- 1** The fundamental purpose for application to the URA for TIF assistance is to facilitate desirable development/redevelopment projects within the URA plan that would not otherwise occur “but for” the assistance provided through TIF.
- 2** Examples of costs eligible for TIF assistance are listed in Section 4 – Eligible Costs.
- 3** It is the intent of the Board to provide the minimum amount of TIF assistance to make the project viable. The provision of financial assistance is at the sole discretion of the Board. The Board reserves the right to reject or approve projects on a case-by-case basis, taking into account established policies, specific project criteria and the demand on City services in relation to the potential public benefit received from the proposed project. Meeting policy guidelines and other criteria does not guarantee the award of TIF assistance. Furthermore, the approval or denial of one project is not intended to set a precedent for approval or denial of another project.

SECTION 2 – OBJECTIVES

The URA exists to accomplish the following objectives:

- 1** Retaining, expanding or attracting businesses for the purpose of improving the City’s economic base as demonstrated by increased jobs, creation of primary jobs, higher paying employment, installing manufacturing base, etc.
- 2** Eliminating blight.
- 3** Improving the public infrastructure (streets, storm drainage, sewer, utilities, etc.) in areas where deficiencies exist.
- 4** Encouraging development projects that enhance the streetscapes and pedestrian experience and improve the vitality of commercial corridors by adding interest and activity.
- 5** Providing a variety of quality affordable housing choices.
- 6** Creating a significant number of new primary jobs.
- 7** Providing “green” building or energy efficiencies within buildings and developments.
- 8** North College Plan area priorities (specific to the North College Urban Renewal Plan area):
 - a. Enhancing transportation infrastructure;
 - b. Providing stormwater drainage or floodplain improvements;
 - c. Expanding or upgrading utility infrastructure; and
 - d. Providing amenities that benefit the public including but not limited to streetscapes, enhanced architecture and building materials, facade renovations, special site improvements, etc. that contribute to a positive identity and image for the North College area.

SECTION 3 – ELIGIBLE DEVELOPMENT

The Board may consider TIF funding for Projects that include the following:

- 1 Business Development: the retention, expansion, and attraction of business in the plan area.
 - 2 Residential Development: new construction or rehabilitation of single family and/or multi-family housing.
 - 3 Affordable Housing (must meet the minimum City Code requirement of 20% of the total units with 80% Area Median Income (AMI) or less).
 - 4 Creation of a significant number of new primary jobs.
 - 5 Creation of a destination location that will capture additional revenue to the area.
 - 6 Historic preservation and adaptive reuse of historic structures.
 - 7 Protection of natural habitats and features both on the development's site and in the vicinity of that site.
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SECTION 4 – ELIGIBLE COSTS

- 1 Removal of hazardous materials or conditions (sites where remediation or mitigation are required).
 - 2 Site clearance or site acquisition.
 - 3 Land assemblage.
 - 4 Parking/structured parking for the public.
 - 5 Infrastructure that is extraordinarily costly to remedy (streets, stormwater, water/wastewater, light & power, gas, etc.)
 - 6 Infrastructure that serves other development and redevelopment facilitating further improvements in the area.
 - 7 Green development or Energy Efficiency features within a project.
 - 8 Public amenities such as parks, plazas, community gathering areas and streetscapes to enhance the aesthetics of the area.
 - 9 Capital Improvement Projects (CIP) as identified by the City of Fort Collins.
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SECTION 5 – EVALUATION CRITERIA

The following basic evaluation criteria will be used to review applications seeking TIF funding. Since every project is unique, additional evaluation criteria may become necessary and will be determined on a case-by-case basis.

- 1 Financial feasibility:
 - a. TIF assistance will not be considered for projects that have the financial feasibility to proceed without TIF assistance. Assistance will not be provided solely to broaden the developer's profit margin on the project. Prior to consideration of a TIF assistance request, the URA will undertake a financial analysis of the project costs to ensure that the request for assistance is appropriate.
 - b. For projects that will generate more than \$1 million in TIF or create a project that is more than 10,000 sq. ft. in size there may be an independent financial analysis. The independent analysis will be contracted for by the URA and the cost will be paid for by the applicant. Additionally, if the project is seeking more than 50% of the tax increment generated from the project, or if the applicant is asking for more than \$150,000, an independent financial analysis of the project may be required by the URA.
 - c. Individuals requesting TIF assistance must demonstrate, to the satisfaction of the URA, sufficient equity investment in the project prior to seeking TIF. Equity is defined as cash or un-leveraged value in land or prepaid costs attributable to the project.

Examples of equity may include personal cash, letter of credit, personal investment, awarded grant monies, etc.

2 Policy assessment:

- a. A qualitative and/or quantitative analysis should be completed in order to identify the costs associated with the project which benefit the public and achieve the broader community benefits and goals. Analysis of the benefits of the project will be measured against the expectations set in the relevant plans that may include, but not be limited by, City Plan, Urban Renewal Plan, and any community sub area plan.
- b. Projects do not provide sufficient public benefits may, after review, be asked for revisions such as:
 - i. Greater Developer contribution;
 - ii. Reduced TIF participation; and/or
 - iii. Redefining the scope of the project.

Revision may lead to approval or final denial of URA participant in the project.

3 TIF assistance for land/property purchase costs will not be provided in an amount exceeding the fair market value of the property. The fair market value will be determined by an independent appraiser hired by the Board or City of Fort Collins. The cost of the appraisal will be paid for by the applicant.

4 TIF will not be used to retroactively reimburse projects or make payments to cover costs associated with any actions already incurred by a development or redevelopment prior to a request for financial assistance being considered by the URA.

5 The URA will give preference to funding projects that have local ownership, which is defined to mean any home location, business, developer located within a 40 mile radius from the City of Fort Collins Growth Management boundary.

6 The applicant must be able to demonstrate to the URA and Board's satisfaction, an ability to construct, operate, and maintain the proposed project based upon past experience, general reputation, and credit history.

7 The level of TIF assistance will be determined on the merits of the project.

8 TIF assistance will be on a reimbursement basis and only after the project valuation is verified and the Certificate of Occupancy (CO) is issued at completion of construction. The funds will be paid upon actual costs with verifiable receipts. Consideration for payments prior to obtaining the CO and valuation may be made on a case-by-case basis and will require approval by the Board prior to commencement of construction.

9 The applicant must complete the TIF application in its entirety, including the following documentation:

- a. A location map
- b. Site plans or project drawings/perspectives/elevations
- c. Project Pro-forma
- d. Owner/Business resume
- e. Executive Summary with the following questions answered:
 - i. What is the nature of the project?
 - ii. Why is TIF assistance needed and how will the funds be used?
 - iii. What sources of financing will the project secure other than TIF?
 - iv. How will the project help improve/upgrade public infrastructure (streets, utilities, drainage, etc.)?
 - v. How will the project enhance the property tax base (and sales tax base, if applicable) of the area?
 - vi. How will the project help achieve the goals of the North College Urban Renewal Plan and City Plan?
 - vii. How will the project help eliminate slum and blight conditions?
 - viii. How will this project help achieve the URA goals of sustainability through green building techniques? Please be specific how this project uses energy efficiency, renewable resources, natural resource conservation techniques, stormwater low impact design methods, or any other methods not listed.
 - ix. Please provide documentation and quantifiable results stating the proven methods and effectiveness of the proposed sustainable features within the project.
 - x. What is the proposed project timetable (what is the estimated time frame for major steps including the City's planning decision, completion of financial commitments, start of construction, and issuance of Certificate of Occupancy (CO))?

SECTION 6 – PROCESS (see illustration for condensed version)

- 1 Applications may be submitted to URA staff at any time during regular business hours.
- 2 After URA staff has done a preliminary analysis and made suggested edits or modifications to the application, there will be a final submittal.
- 3 Additional community-based input will be required.
 - a. If the application is for a project located within the North College Urban Renewal Plan, the North College Citizen Advisory Group (CAG) must make a recommendation by a majority vote. The CAG meets on a monthly basis and the proposed project/TIF application will be scheduled on the agenda once the financial analyses are completed and the URA staff has adequate information and achieved a staff recommendation to present.
 - b. Feedback from community-based input may require modifications that delay approval and even require additional financial analysis.

If the goals of the URA are not clearly met and staff doesn't make a favorable recommendation to the Board, the application will be denied and will not move forward to the Board for approval. The applicant may apply again if the project changes financially, present a different project than previously submitted or with a change in the TIF calculation based on project differences.

- 4 Once the URA staff and any community-based organization have recommended the application, URA staff will work with the applicant to create a project specific Redevelopment Agreement (RA) that will define the terms of the TIF assistance for the project.
- 5 Once a final RA is agreed to URA staff will schedule the application for consideration at a hearing before the Board. The Board typically meets bimonthly on Tuesday evenings after City Council meetings.
- 6 Approval of the project at any point in the process, short of the Board meeting, is no guarantee that the project will ultimately receive any TIF assistance.
- 7 The Board will consider the application at the scheduled meeting. The Board will decide whether or not to support the application. The support may include:
 - a. adoption of the RA,
 - b. denial of the application, or
 - c. conditional approval of the RA and the Board will provide clear direction on suggested terms. The Board will also clearly indicate if the conditions are mandatory for approval or optional enhancements.
- 8 All Redevelopment Agreements are valid for a 12 month period beginning on the date the agreement was executed, unless otherwise stated in the agreement.

FORT COLLINS **URA** APPLICATION PROCESS

STEP 1

Submit URA application

Staff review

Pls. allow 2 weeks for iterations

Final submittal

STEP 2

Financial analysis “But For” test

Pls. allow 4 weeks for completion

STEP 3

Staff recommendation

Based on determination of eligible costs

STEP 4

CAG meeting = project introduction

“CAG” Citizen Advisory Group meets once a month 1st Thursday

2nd CAG meeting = recommendation

STEP 5

**URA Board meeting scheduled* once
Redevelopment AGMT is negotiated**

*Based on availability of 6 month calendar

City of Fort Collins Urban Renewal Authority

Mission Statement

The mission of the Fort Collins Urban Renewal Authority (URA) is to remedy blight by stimulating and leveraging private capital investment, using tax increment financing in private development projects and public improvement projects. The URA functions as a catalyst, partner, advisor and participant to foster sound growth and development.

General URA Policies

The URA will only assist development and redevelopment projects that meet the identified objectives of the respective Urban Renewal Plan (URP) area.

The URA will consider TIF for infrastructure needs normally required of development and redevelopment projects if one or more of the following are met:

- the infrastructure is an extraordinary or unusually costly remedy for blight factors (e.g., due to difficulties of retrofitting existing developed areas, need for assembly of multiple properties, etc.)
- the project is for affordable housing
- the project creates significant numbers of new primary jobs
- the project has great potential to capture spending that is currently “leaking” out of the market area, or is a “destination” use that will attract others from outside the area
- the infrastructure serves other development and redevelopment sites, facilitating further improvements in the area

The URA will also consider TIF for:

- enhancements and amenities that benefit the public such as streetscapes, enhanced architecture and building materials, special site improvements, etc.
- retention or expansion of existing businesses offering primary jobs or unique offerings that complement the business mix
- site clearance or site acquisition
- removal of hazardous materials or conditions
- projects that preserve and adaptively reuses historic structures
- projects that protect natural habitats and features both on the site and in the vicinity of the site
- projects that use the best available technologies and practices for renewable energy and/or energy efficiency

The URA will not retroactively reimburse projects or make payments to cover costs associated with any actions already incurred by a development or redevelopment project prior to a request for financial assistance being considered by the URA.

The URA will pursue grants and other types of financial assistance from federal and state agencies.

The URA will cooperate with other governments, entities, and agencies to accomplish redevelopment objectives.

North College Corridor URA Policies. In addition to the general URA policies on the previous page, the following specific policies apply to the North College Corridor Urban Renewal Plan (URP) area.

The URA Commission will only consider TIF in a development or redevelopment project within the North College Corridor URP area after the proposal has been reviewed by the Citizens Advisory Group (CAG). The URA Commission is the final authority on all TIF requests.

The URA will give preference to funding projects that have local ownership (Larimer County).

The URAs priorities for providing TIF to development and redevelopment projects within the North College Corridor URP area are:

- enhancing transportation infrastructure
- providing stormwater drainage or floodplain improvements
- expanding or upgrading utility infrastructure
- providing amenities that benefit the public including but not limited to streetscapes, enhanced architecture and building materials, façade renovations, special site improvements, etc. that contributes to a positive identity and image for the North College area.

Last Revision: May 10, 2006

DT: June 17, 2011

TO: President and URA Board members

TH: Darin Atteberry, Executive Director

FM: Christina Vincent, Redevelopment Program Administrator

RE: June 14, 2011 Work Session Summary – URA Eligibility Policies

Board members present: President Weitkunat, Vice-President Ohlson, Ben Manvel, Lisa Poppaw, Gerry Horak

Staff present: Christina Vincent, Josh Birks, Mike Gebo

Discussion/Follow-up points:

- The URA policies were presented with changes from the 2010 version. The Board requested stronger language requiring Construction Waste Management Plans for both new construction and deconstruction/demolition projects.
- The Board requested that the URA policies state that any project is subject to the Green Building code effective the date of adoption; scheduled to be July 19.
- The Board requested to clarify the terminology does not only include recycling, however should state: waste reduction, reuse, and recycling methods.
- The Board also requested to remove the Construction Waste Management from eligible costs and ensure its expectation for every URA application.
- The Board requests reporting mechanisms and verification methods that are consistent with the Green Building Code to be activated with a decision of approval on July 19.

Next Steps:

July 19 – The URA Board will consider adopting the updated URA Policies and Procedures.



2011 Policies & Procedures

URA Board Meeting
July 19, 2011

1



PAST ACTIONS

- 2006 – Original Policies created by URA Board based on recommendations from ad hoc committee. Adopted August 2006
- 2010 – Complete revamp of URA policies and Procedures. Adopted May 2010
- May 2011 - Direction given by URA Board to revisit Policies
- June 2011 – Worksession and clarification of direction

2



2010 POLICIES: PURPOSE

1. Provide Guidance
2. State the Objectives
3. Specify Eligible Development
4. Identify Eligible Costs
5. Develop Specific Criteria
6. Formalize Process & Timeline

3



2006 vs 2010 DIFFERENCES

- Clearly state the financial need
- Closer linkage to goals of Retention, Expansion, and Attraction
- Introduce a green building incentive
- Give direction and expectations to applicants
- Clearly state TIF is not an entitlement
- Develop an evaluation criteria

4



2010 POLICIES: EVALUATION CRITERIA

- Financial Feasibility
 - “But For” test
 - Financial analysis of the project pro forma
 - Proven equity investment in the project
- Policy Assessment
 - Project meets goals of various plans
 - If goals are not met, additional criteria may be required
- Land purchase will not exceed fair market value

5



2010 POLICIES: EVALUATION CRITERIA (con't)

- Cannot be retroactively reimbursed
- Application must be complete
- Local ownership preference (40 mi.)
- Applicant must provide past experience
- TIF is based on project merit
- TIF assistance on reimbursement basis

6



2010 POLICIES: 5 STEP PROCESS

STEP 1 - Discuss with Staff/Negotiate/Submit Application

STEP 2 - Financial analysis

STEP 3 - Staff Recommendation

STEP 4 – CAG recommendation (if in North College)

*Two separate CAG meetings

STEP 5 – Redevelopment Agreement/URA Board Action

7



2011 REVISIONS

- Encourage the Development to be consistent with City Plan and the Urban Renewal Plans.
- Promote green building and above code energy efficiencies.
- Green Development which exceeds adopted code minimums; using the various available rating systems as a guide
 - LEED
 - Sustainable Sites
 - Energy Star

8



2011 REVISIONS (con't)

- Inclusion of revised mission statement.
- Applicant must be in the City's Development review process.
 - Specifically complete first round of review with staff comments
- Require Construction Waste Management Plan for both new construction and demolition.
- Clarify the Land Use code Affordable Housing minimum and suggest exceeding the requirement.

9



URA BOARD ACTION

Approve the resolution to revise the
2011 URA Policies and Procedures

10



Questions?

RESOLUTION NO. 037
OF THE BOARD OF COMMISSIONERS OF THE
FORT COLLINS URBAN RENEWAL AUTHORITY
ADOPTING POLICIES AND PROCEDURES
FOR THE FORT COLLINS URBAN RENEWAL AUTHORITY

WHEREAS, on August 15, 2006, the Board of Commissioners of the Fort Collins Urban Renewal Authority (the "Board") adopted Resolution No. 007, which approved a mission statement and general policies for the Fort Collins Urban Renewal Authority (the "Authority"); and

WHEREAS, the Authority has continued to expand its role in the redevelopment of the City, which redevelopment positively affects both the urban renewal plan areas and the community as a whole; and

WHEREAS, the Authority and the work it undertakes in current and future urban renewal plans may also influence the operations of the City; and

WHEREAS, the Board has indicated that the Authority's policies should include more detail regarding "green" building practices on urban renewal projects; and

WHEREAS, members of the public and potential developers of property within the current and future urban renewal plan areas seek clear direction as to the information that should be included in financial assistance applications to the Authority and as to the processes that the Authority utilizes in reviewing such application; and

WHEREAS, Authority staff believes that certain changes to the Authority's policies and procedures are necessary in order to provide more detail on green building practices to members of the public, developers, and the Board and has proposed for the Board's consideration modifications to the Urban Renewal Authority Policies and Procedures that are on file in the Clerk's Office.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL AUTHORITY that the policies and procedures contained in the Fort Collins Urban Renewal Authority Policies and Procedures attached hereto as Exhibit "A" and incorporated herein by this reference accurately reflect the Board's expectations for green building practices for urban renewal projects.

Passed and adopted at a regular meeting of the Board of Commissioners of the City of Fort Collins Urban Renewal Authority this 19th day of July A.D. 2011.

Chairperson

ATTEST:

Secretary

2011 URA Policies and Procedures (unformatted version)

SECTION 1 – INTRODUCTION

This policy is to provide guidance for the Fort Collins Urban Renewal Authority (URA) staff, Citizen Advisory Group (North College), and URA Board (Board) in considering, reviewing and processing applications that seek to use Tax Increment Financing (TIF) assistance for development activities within the designated plan areas. The URA Board will have the option of amending or waiving sections of this document when determined necessary or appropriate.

The mission of the URA is to remedy blight, using TIF, to leverage private capital investment and stimulate sustainable development and public improvements projects.

- ❖ The fundamental purpose for application to the URA for TIF assistance is to facilitate desirable development/redevelopment projects within the URA plan that would not otherwise occur “but for” the assistance provided through TIF.
- ❖ Examples of costs eligible for TIF assistance are listed in Section 4 – Eligible Costs.
- ❖ It is the intent of the Board to provide the minimum amount of TIF assistance to make the project viable. The provision of financial assistance is at the sole discretion of the Board.
- ❖ The Board reserves the right to reject or approve project on a case-by-case basis, taking into account:
 - Established policies;
 - Specific project criteria; and
 - Demand on City services in relation to the potential public benefit received from the proposed project.
- ❖ Meeting policy guidelines and other criteria does not guarantee the award of TIF assistance. Furthermore, approval or denial of one project is not intended to set a precedent for approval or denial of another project.

SECTION 2 - OBJECTIVES

The URA exists to accomplish the following objectives:

- ❖ Eliminating blight.
- ❖ Improving the public infrastructure (streets, storm drainage, sewer, utilities, etc.) in areas where deficiencies exist.
- ❖ Creating a significant number of new primary jobs.
- ❖ Removing impediments to development.

- ❖ Retaining, expanding or attracting businesses for the purpose of improving the City’s economic base as demonstrated by increased jobs, creation of primary jobs, higher paying employment, installing manufacturing base, etc.
- ❖ Encouraging development projects that enhance the streetscapes and pedestrian experience and improve the vitality of commercial corridors by adding interest and activity.
- ❖ Providing a variety of quality affordable housing choices.
- ❖ Encouraging development that is consistent with *City Plan* and approved Urban Renewal Plans.
- ❖ ~~Providing~~ Promoting “green” ~~building~~ standards and/or “above code” energy efficiencies within buildings and developments.
- ❖ North College Plan area priorities (specific to the North College Urban Renewal Plan area):
 - Enhancing transportation infrastructure;
 - Providing stormwater drainage or floodplain improvements;
 - Expanding or upgrading utility infrastructure; and
 - Providing amenities that benefit the public including but not limited to streetscapes, enhanced architecture and building materials, facade renovations, special site improvements, etc. that contribute to a positive identity and image for the North College area.

SECTION 3 – ELIGIBLE DEVELOPMENT

The Board may consider TIF funding for Projects that include the following:

- ❖ Business Development: the retention, expansion, and attraction of business in the plan area.
- ❖ Residential Development: new construction or rehabilitation of single family and/or multi-family housing.
- ❖ Affordable Housing (must meet the minimum City Code requirement of ~~20%~~10% of the total units with 80% Area Median Income (AMI) or less).
- ❖ Creation of a significant number of new primary jobs.
- ❖ Green development which exceeds adopted code minimums (e.g. design, construction, or retrofitting of buildings and sites to be certified through an approved green building rating system).
- ❖ Student housing, defined as multi-unit residential structures, whether publicly or privately owned, that are leased in whole or in part to students attending post-secondary educational institutions.
- ❖ Creation of a destination location that will capture additional revenue to the area.
- ❖ Historic preservation and adaptive reuse of historic structures.
- ❖ Protection of natural habitats and features both on the development’s site and in the vicinity of that site.

SECTION 4 – ELIGIBLE COSTS

- ❖ Removal of hazardous materials or conditions (sites where remediation or mitigation are required).
- ❖ Site clearance or site acquisition.
- ❖ Land assemblage.
- ❖ Parking/structured parking for the public.
- ❖ Infrastructure that is extraordinarily costly to remedy (streets, stormwater, water/wastewater, light & power, gas, etc.)
- ❖ Infrastructure that serves other development and redevelopment facilitating further improvements in the area.
- ❖ **Extraordinary sustainable and renewable features that greatly minimize the negative impact of any project by enhancing efficiency.**
- ❖ Public amenities such as parks, plazas, community gathering areas and streetscapes to enhance the aesthetics of the area.
- ❖ Capital Improvement Projects (CIP) as identified by the City of Fort Collins.
- ❖ **Projects listed in Infrastructure Plans related to the Plan area, i.e. *North College Infrastructure Funding Plan*.**

SECTION 5 – EVALUATION CRITERIA

The following basic evaluation criteria will be used to review applications seeking TIF funding. Since every project is unique, additional evaluation criteria may become necessary and will be determined on a case-by-case basis.

- ❖ **Financial feasibility:**
 - TIF assistance will not be considered for projects that have the financial feasibility to proceed without TIF assistance. Assistance will not be provided solely to broaden the developer's profit margin on the project. Prior to consideration of a TIF assistance request, the URA will undertake a financial analysis of the project costs to ensure that the request for assistance is appropriate.
 - For projects that will generate more than \$1 million in TIF or create a project that is more than 10,000 sq. ft. in size there may be an independent financial analysis. The independent analysis will be contracted for by the URA and the cost will be paid for by the applicant. Additionally, if the project is seeking more than 50% of the **property** tax increment generated from the project, or if the applicant is **asking for requesting a grant for** more than \$150,000, an independent financial analysis of the project may be required by the URA.
 - Individuals requesting TIF assistance must demonstrate, to the satisfaction of the URA, sufficient equity investment in the project prior to seeking TIF. Equity is defined as cash or un-leveraged value in land or prepaid costs attributable to the

project. Examples of equity may include personal cash, letter of credit, personal investment, awarded grant monies, etc.

❖ **Policy assessment:**

- A qualitative and/or quantitative analysis should be completed in order to identify the costs associated with the project which benefit the public and achieve the broader community benefits and goals. Analysis of the benefits of the project will be measured against the expectations set in the relevant plans that may include, but not be limited by, City Plan, Urban Renewal Plan, and any community sub area plan.
- Projects do not provide sufficient public benefits may, after review, be asked for revisions such as:
 - Greater Developer contribution;
 - Reduced TIF participation; and/or
 - Redefining the scope of the project.

Revision may lead to approval of final denial of URA participant in the project.

- ❖ The URA will give preference to funding projects that have local ownership, which is defined to mean any home location, business, developer located within a 40 mile radius from the City of Fort Collins Growth Management boundary.
- ❖ The applicant must be able to demonstrate to the URA and Board's satisfaction, an ability to construct, operate, and maintain the proposed project based upon past experience, general reputation, **and** credit history, **and equity investment**.
- ❖ The level of TIF assistance will be determined on the merits of the project.
- ❖ **The URA will give preference to affordable housing projects that exceed the minimum City Land Use Code requirement of 10% of the total units for households earning 80% or less of AMI.**

Section 6 – Other General Policies

- ❖ TIF assistance for land/property purchase costs will not be provided in an amount exceeding the fair market value of the property.
- ❖ The fair market value will be determined by an independent appraiser hired by the Board or City of Fort Collins. The cost of the appraisal will be paid for by the applicant.
- ❖ TIF will not be used to retroactively reimburse projects or make payments to cover costs associated with any actions already incurred by a development or redevelopment prior to a request for financial assistance being considered by the URA.
- ❖ TIF assistance will be on a reimbursement basis and only after the project valuation is verified and the Certificate of Occupancy (CO) **or Letter of Completion (LOC)** is issued at completion of construction. The funds will be paid upon actual costs with verifiable receipts. Consideration for payments prior to obtaining the CO **or LOC** and valuation

may be made on a case-by-case basis and will require approval by the Board prior to commencement of construction.

- ❖ To be eligible to apply for TIF, the applicant must have submitted the proposed project to the City as a Project Development Plan (PDP), Final Development Plan (FDP), or a major/minor amendment and completed the first round of review with comments from City staff.
- ❖ A City of Fort Collins Construction Waste Management Plan must be submitted for both new construction projects as well as existing projects that may have deconstruction onsite. Specific requirements are stated in the plan and must be accompanied in the application.
- ❖ Any project seeking TIF assistance must adhere to the City's adopted Green Building Code and is subject to that Code (effective the date of adoption, prior to the City's January 1, 2012 implementation date).

Section 7 – Application Requirements

The applicant must complete the TIF application in its entirety, including the following documentation:

- ❖ A location map
- ❖ Site plans or project drawings/perspectives/elevations
- ❖ Project Pro-forma
- ❖ Owner/Business resume
- ❖ Executive Summary with the following questions answered:
 - ❖ What is the nature of the project?
 - ❖ Why is TIF assistance needed and how will the funds be used?
 - ❖ What sources of financing will the project secure other than TIF?
 - ❖ How will the project help improve/upgrade public infrastructure (streets, utilities, drainage, etc.)?
 - ❖ How will the project enhance the property tax base (and sales tax base, if applicable) of the area?
 - ❖ How will the project help achieve the goals of the **North College** Urban Renewal Plan and City Plan?
 - ❖ How will the project help eliminate slum and blight conditions?
 - ❖ How will this project help achieve the URA goals of sustainability through green building techniques? Please be specific how this project uses energy efficiency **exceeding code required**, renewable resources, natural resource conservation techniques, or stormwater low impact design methods.
- ❖ A Construction and/or Deconstruction Waste Management Plan that identifies how waste will be reduced, reused, and/or recycled appropriately.
- ❖ Please provide documentation and quantifiable results stating the proven methods and effectiveness of the proposed sustainable features within the project.

- ❖ What is the proposed project timetable (what is the estimated time frame for major steps including the City’s planning decision, completion of financial commitments, start of construction, and issuance of Certificate of Occupancy (CO)?

Section 8 – Process (see illustration for condensed version)

- ❖ Applications may be submitted to URA staff at any time during regular business hours.
- ❖ After URA staff has done a preliminary analysis and made suggested edits or modifications to the application, there will be a final submittal.
- ❖ Additional community-based input will be required.

If the application is for a project located within the North College Urban Renewal Plan, the North College Citizen Advisory Group (CAG) must make a recommendation by a majority vote.

The CAG meets on a monthly basis and the proposed project TIF application will be scheduled on the agenda once the financial analyses are completed and the URA staff has adequate information and achieved a staff recommendation to present.

Feedback from community-based input may require modifications that delay approval and even require additional financial analysis.

If the goals of the URA are not clearly met and staff doesn’t make a favorable recommendation to the Board, the application will be denied and will not move forward to the Board for approval. The applicant may apply again if the project changes financially, present a different project than previously submitted or with a change in the TIF calculation based on project differences.

- ❖ Once the URA staff and any community-based organization have recommended the application, URA staff will work with the applicant to create a project specific Redevelopment Agreement (RA) that will define the terms of the TIF assistance for the project.
- ❖ Once a final RA is agreed to URA staff will schedule the application for consideration at a hearing before the Board. The Board typically meets bimonthly on Tuesday evenings after City Council meetings.
- ❖ Approval of the project at any point in the process, short of the Board meeting, is no guarantee that the project will ultimately receive any TIF assistance.
- ❖ The Board will consider the application at the scheduled meeting. The Board will decide whether or not to support the application. The support may include:
 - Adoption of the RA,
 - Denial of the application, or
 - Conditional approval of the RA and the Board will provide clear direction on suggested terms. The Board will also clearly indicate if the conditions are mandatory for approval or optional enhancements.

- ❖ All Redevelopment Agreements are valid for a 12 month period beginning on the date the agreement was executed, unless otherwise stated in the agreement.

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