

CITY OF GRAND JUNCTION, COLORADO
RESOLUTION NO. 74-22

A RESOLUTION ADOPTING A NEW CORRIDOR INFILL INCENTIVE AND FORMULA FOR
CALCULATING THE INCENTIVE

RECITALS:

In 2004, the City Council reviewed and approved an *Infill/Redevelopment Implementation Program* ("Program") by adopting policies, definitions, boundaries, criteria, and potential forms of City involvement set forth in Resolution 87-04. That was subsequently amended by Resolution 15-13 Resolution 93-19 and Resolution 03-20

Since 2004, the City through, extensive public participation, continues to realize the important nature and critical need to invest in and support infill and redevelopment in and around the City's central core all as recognized in various adopted planning documents and in the adopted 2020 *One Grand Junction Comprehensive Plan* key strategies which specifically call for the City to:

- "Partner in the development of housing strategies for the community including options for housing incentives," and
- Promote "more opportunities for housing choices that meet the needs of people of all ages, abilities and incomes."

In the 2013 adopted *Greater Downtown Plan* certain key strategies call for the City to:

- "Promote Downtown living by providing a wide range of housing opportunities, primarily in the Downtown District;"
- "Support a regional housing strategy with an emphasis on infill, downtown housing;
- "Jump-start the revitalization and reinvestment in the Downtown District with strategic catalyst projects;" and
- "Encourage both regulatory and financial solutions including public subsidies and creative financing mechanism."

The *Greater Downtown Plan* also notes that "Public-private partnerships are essential, and that local government needs to have strong involvement, a visible presence, perhaps be the entity that provides continuing leadership, regulatory incentives and seed capital for early projects."

The *North Avenue Corridor Implementation Plan* specifically calls for the City to:

- "Establish a City infill and redevelopment policy and define what types of activities would receive consideration for development incentives. Incentives can include many different choices including paying required fees, constructing off-site improvements, undergrounding utilities, etc."

Consistent with policies and strategies of adopted plans and planning documents, including the *Comprehensive Plan*, the *Greater Downtown Plan*, and the *North Avenue Corridor*

Implementation Plan, the City Council hereby creates and establishes a new incentive that further promotes investment in the City's central areas and important commercial corridors.

With the adoption of this Resolution, the City expands its incentive offering(s) and further encourages infill in and along corridors in and near the City's center utilizing a "Level" approach to the offering of incentives that is relative to the value of the private investment made in improvements in such corridors.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND UNCTION,
COLORADO:

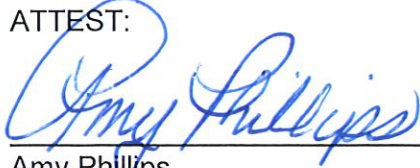
That the Corridor Infill Incentive is hereby established together with Attachments A-C hereto, which are hereby adopted and made effective immediately and shall apply as follows for the reasons stated in the foregoing Recitals and in the interest of advancing the health, safety and welfare of the City as follows:


Corridor Infill Incentive.

1. The Corridor Infill shall apply to the Corridor Infill Boundary (Attachment A) together with the reduced fee and sales/use tax formula as provided in the Corridor Infill Calculation (Attachment B);
2. For the purposes of administering the Corridor Infill Incentive "Infill" means any commercial and/or residential building creating one or more new commercial and/or residential unit(s) with a cost (confirmed by a written report of actual expenditures) of no less than \$5,000,000 located on a property within the Corridor Infill Boundary that is currently unused, underutilized, or may be found to be functionally or economically obsolete. This term is used synonymously with the term "Redevelopment." Infill does not include projects that are or include "for sale" detached or attached single-family dwelling units or accessory dwelling units;
3. The Corridor Infill Incentive shall be administered in accordance with the intent, purpose and procedures as provided in Attachment C, Corridor Infill Incentive Administration Procedures; and
4. Without further action of the City Council is set to expire on December 31, 2025.

ADOPTED AND APPROVED THIS 7th day of September 2022.

ATTEST:


Amy Phillips
City Clerk

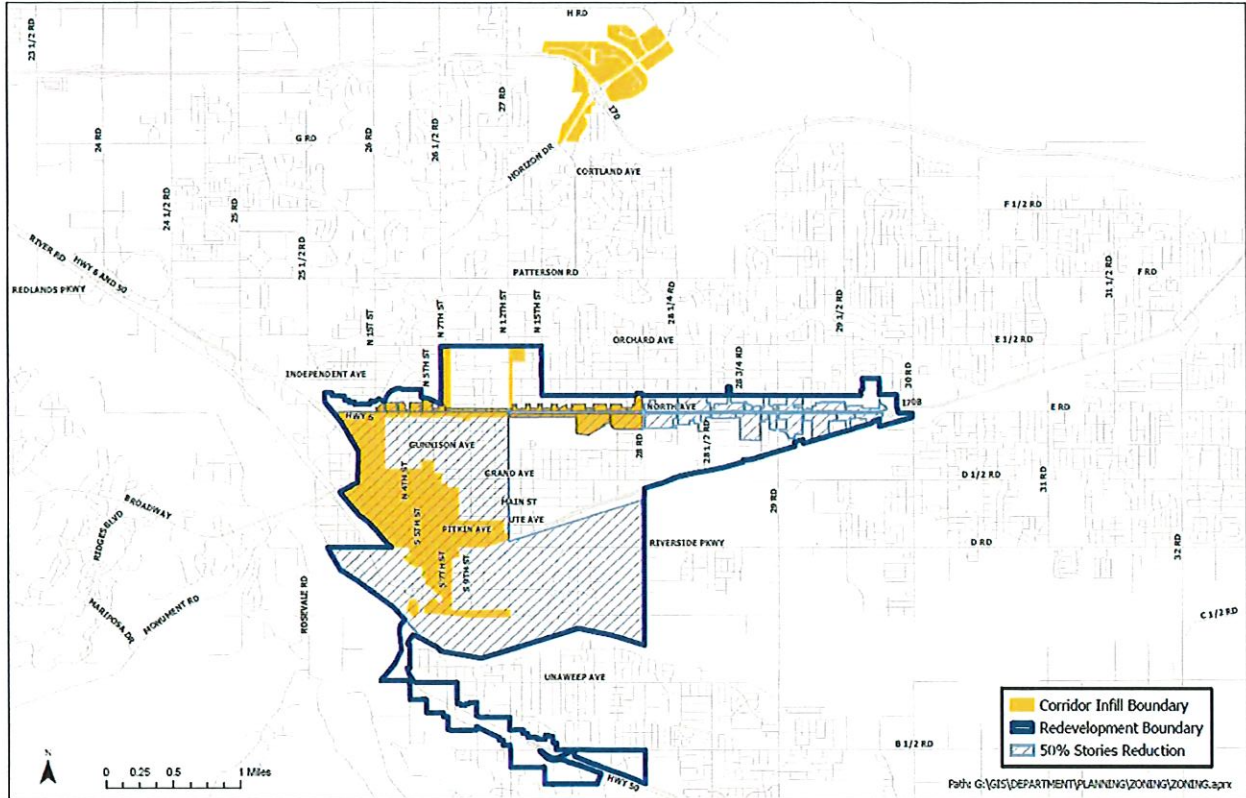

Anna M. Stout
President of the City Council



ATTACHMENT A

CORRIDOR INFILL BOUNDARY (ORANGE)

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**ATTACHMENT B
CORRIDOR INFILL CALCULATION
RESOLUTION 74-22**

	Private Investment Cost* *Not including land value	Incentive
Level 1	\$5 - \$15 Million	50% City Water/Sewer PIFs
Level 2	\$16 - \$25 Million	100% Water/Sewer PIFS + 50% Impact Fees
Level 3	\$26 - \$35 Million	100% Water/Sewer PIFs + 50% Impact Fees + Open Space Fees
Level 4	\$36 - \$50 Million	100% PIFS + 100% Impact Fees + Open Space Fees
Level 5	\$51+ Million	100% PIFS + 100% Impact Fees + Open Space Fees + Sales/Use Tax Rebate

ATTACHMENT C
CORRIDOR INFILL INCENTIVE ADMINISTRATION PROCEDURES

Application.

1. For 2022, applications will be available no later than 60 days after the Effective Date. In future years, no later than July 1 of a given year, applications may be made to the City for a Corridor Infill Incentive.
2. At a minimum, the application for a Corridor Infill Incentive Project (Project) shall include the following:
 - a. Project Name, property ownership, developer's or entity(s) information;
 - b. Description of how the Project will address the City's redevelopment and infill goals. The Project description shall include but not be limited to, an explanation of the square footage, uses and unit type and count.
 - c. Description of the Project timeline, whether the Project is dependent on other grant funding or entitlements, whether the Project will be phased, and if there any known uncertainties for the Project;
 - d. Description of the developer's experience with and capacity to implement the proposed Project;
 - e. Amount of the incentive being requested;
 - f. A preliminary financing plan including project budget and a letter from a State or Federally chartered commercial bank or lender expressing the ability, expertise, and financial capability of the developer's ability to complete the Project.

Application Review and Funding Reservation.

3. An application found by the City in its sole discretion to be consistent with the purpose and applicability of the Corridor Infill Incentive and that demonstrates ability and capacity to perform will be recommended for funding.
4. During the City's annual budget process, City Council will review the recommendations and consider the suitable Project(s) for funding during the following fiscal year(s). If a Corridor Infill Incentive is for more than one year each year shall be subject to annual appropriation. The City Council may choose to utilize the General Fund or other special revenue fund(s) for the repayment of the fees to appropriate Enterprise Fund(s) and/or Development Impact Fees in the amount of fees "waived" for a Project(s) pursuant to this incentive policy.

Incentive Agreement.

5. Should an Incentive be approved by City Council, the City and the developer and Project entity(ies) shall execute a Corridor Infill Incentive Agreement, which agreement shall at minimum provide:
 - a. The value of the Fee waiver as a "not to exceed" amount;
 - b. Terms for the commencement and completion of the Project;
 - c. Payment schedule whereby the Fees waived upon the completion of the Project will be credited or paid by the City pursuant to the Corridor Infill Incentive;
 - d. Remedy(ies) for default;

- e. Recording memorandum; and,
 - f. Other provisions, as deemed appropriate by the City Attorney.
6. The Project shall submit a quarterly report of actual expenditures and a report of actual expenditures upon Project completion. Pursuant to the Agreement and Payment Schedule (5.c) the incentive shall be credited or paid upon verification of costs consistent with Level of incentive. No Certificate of Occupancy shall be issued prior to the receipt of the report of actual expenditures and verification of cost.

Definitions.

1. "Infill" means any commercial and/or residential building creating one or more new commercial and/or residential units with a cost (confirmed by a report of actual expenditures) of no less than \$5,000,000 located on a property within the Corridor Infill Boundary that is currently unused, underutilized, or may be found to be functionally or economically obsolete. This term is used synonymously with the term "Redevelopment." Infill does not include projects that are include for sale detached or attached single-family dwelling units or accessory dwelling units;
2. "Fees" mean
 - a) "Sewer Plant Investment Fee" means a plant investment fee (PIF) collected on behalf of Persigo Wastewater Treatment Facility. Does not include any fee collected by any other wastewater provider.
 - b) "Water Plant Investment Fee" means a plant investment fee (PIF) collected on behalf of the City of Grand Junction. Does not include any fee collected by any other water provider.
 - c) "Development Impact Fees or Impact Fee" means certain fees now collected or as may be later applied and collected, also known as Development Impact Fee(s), for the purposes of police, fire, parks and recreation, transportation capacity and/or other governmental functions and services.
 - d) "Open Space In-Lieu Fee means a fee collected in lieu of dedicating 10 percent of a property as open space for public use.
 - e) "Sales and Use Tax" means a tax collected by the City of Grand Junction as General Revenue. Does not include any sales or use tax for public safety (0.5%) and capital (0.75%) in accordance with voters approved and directed uses.