

**GRAND JUNCTION CITY COUNCIL
WORKSHOP**

**MONDAY, JULY 21, 2014, 5:00 P.M.
ADMINISTRATION CONFERENCE ROOM
2ND FLOOR, CITY HALL
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

1. Streamlining Processes and being Business Friendly
[Supplemental Documents](#)
2. Information Technology Infrastructure Opportunity
3. Economic Development Incentives
[Supplemental Documents](#)
4. Economic Development Marketing
[Supplemental Documents](#)
5. Board Reports
6. Other Business

LOCATION REVISED

ID	Task Name	Start	Finish	Duration	Jul 2014		Aug 2014				Sep 2014				Oct 2014				Nov 2014			Dec 2014						
					7/13	7/20	7/27	8/3	8/10	8/17	8/24	8/31	9/7	9/14	9/21	9/28	10/5	10/12	10/19	10/26	11/2	11/9	11/16	11/23	11/30	12/7	12/14	
1	Code Amendment Process	7/21/2014	12/17/2014	150d																								
2	Chapter 21.02 – Admin/Procedures	7/21/2014	8/10/2014	21d																								
3	Review and Rewrite	7/21/2014	8/10/2014	21d																								
4	Land Use Code Committee	7/29/2014	7/29/2014	0d																								
5	Planning Commission Workshop	8/7/2014	8/7/2014	0d																								
6	Chapter 21.03 – Zoning Districts	8/4/2014	8/24/2014	21d																								
7	Review and Rewrite	8/4/2014	8/24/2014	21d																								
8	Land Use Code Committee	8/12/2014	8/12/2014	0d																								
9	Planning Commission Workshop	8/21/2014	8/21/2014	0d																								
10	City Council Workshop	9/1/2014	9/1/2014	0d																								
11	Chapter 21.04 – Uses	8/18/2014	9/7/2014	21d																								
12	Review and Rewrite	8/18/2014	9/7/2014	21d																								
13	Land Use Code Committee	8/26/2014	8/26/2014	0d																								
14	Planning Commission Workshop	9/4/2014	9/4/2014	0d																								
15	Chapter 21.06 – Development Standards	9/1/2014	9/21/2014	21d																								
16	Review and Rewrite	9/1/2014	9/21/2014	21d																								
17	Land Use Code Committee	9/9/2014	9/9/2014	0d																								
18	Planning Commission Workshop	9/18/2014	9/18/2014	0d																								
19	City Council Workshop	10/6/2014	10/6/2014	0d																								
20	Chapter 21.07 – Special Regulations	9/22/2014	10/12/2014	21d																								
21	Review and Rewrite	9/22/2014	10/12/2014	21d																								
22	Land Use Code Committee	9/30/2014	9/30/2014	0d																								
23	Planning Commission Workshop	10/9/2014	10/9/2014	0d																								
24	Chapter 21.08 – Nonconformities	10/6/2014	10/26/2014	21d																								
25	Review and Rewrite	10/6/2014	10/26/2014	21d																								
26	Land Use Code Committee	10/14/2014	10/14/2014	0d																								
27	Planning Commission Workshop	10/23/2014	10/23/2014	0d																								
28	City Council Workshop	11/3/2014	11/3/2014	0d																								
29	Planning Commission Hearing	11/25/2014	11/25/2014	0d																								
30	City Council Hearing	12/17/2014	12/17/2014	0d																								

City of Grand Junction
Economic Development Plan
Update

July 21, 2014

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Agenda

- **Supporting Existing Businesses**
- **Broadband and Wireless Opportunities**
- **Economic Development Incentives**
- **Marketing Opportunities**

Supporting Existing Businesses

Goal: Be proactive and business friendly. Streamline processes and reduce time and costs to the business community while respecting and working within the protections that have been put into place through the Comprehensive Plan.

Action Step – Continue to assign one or more Council representatives to monitor, suggest and report on planning policy with staff.

Action Step – Review development standards and policies to ensure that they are complementary and support the common mission.

Action Step – Continue to partner with Commercial Realtors to include available properties on the Geographic Information System (GIS).

Supporting Existing Businesses

Action Step – Continue to assign one or more Council representatives to monitor, suggest and report on planning policy with staff.

- ✓ Councilmember McArthur & Councilmember Boeschstein

Action Step – Review development standards and policies to ensure that they are complementary and support the common mission.

Zoning and Development Code Review and Update

- Goal is to Align Process and Regulations with Economic Development Plan
- Streamline to Reduce Costs and Time & be Proactively Business Friendly
- Correct Inconsistencies & Eliminate Redundancies
- Clarify Requirements for Users & Increase Transparency

Supporting Existing Businesses

Action Step – Continue to partner with Commercial Realtors to include available properties on the Geographic Information System (GIS).

- GIS Business Map
- Commercial Real Estate Lunch Workshop
- Opportunities
 - Search Function
 - Site Selection Website

Infrastructure

Goal: Support and facilitate access and expansion of important technological infrastructure in the city.

Action Step – Implement broadband-friendly policies such as “dig once” and coordinate existing and future projects to enhance infrastructure investment efficiencies.

Action Step – Review existing regulations to make sure that they are cell tower friendly and incentivize stealth technology.

Action Step – Identify core commercial and industrial areas in the city and work with providers to identify broadband capabilities and needs in these areas.

Action Step – Continue to map cell phone coverage and work with service providers to address deficiencies.

Action Step – Discuss potential tax policies and incentives that relate to broadband and cellular infrastructure.

Infrastructure

Broadband & Wireless

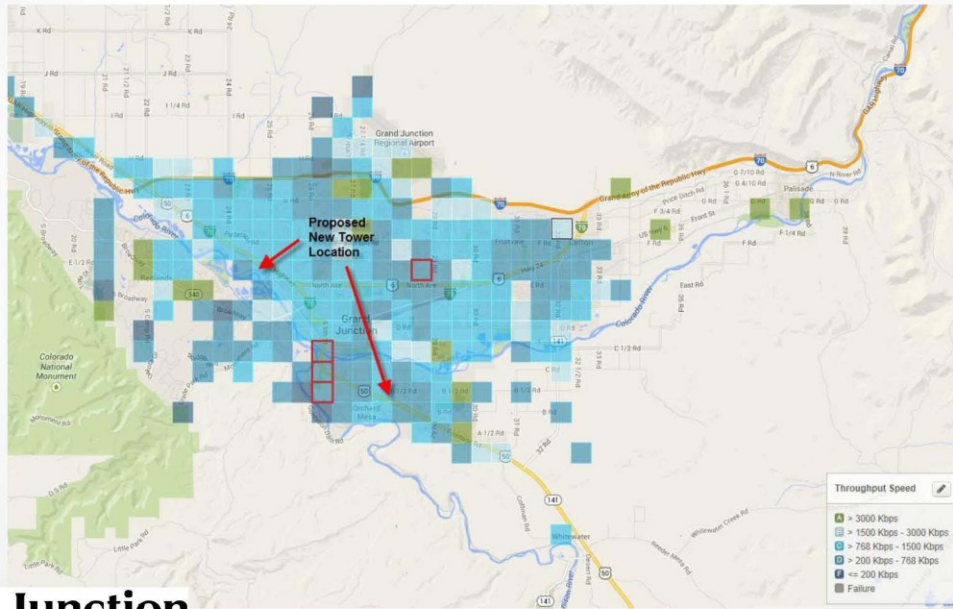
“The global competitiveness of a city or region depends, in part, on the capabilities of its information and communications technology (ICT) linkages to the rest of the globe. If these connections are robust, affordable, and broadly available, then the residents and businesses in the municipality will be able to access the sources of creativity, knowledge, and information inputs needed to be productive and competitive.”

Micael F. Zilokowski, in a 2011 report presented to the Department of Business Administration and Economics at the College at Brockport, State University of New York.

Infrastructure

Broadband & Wireless

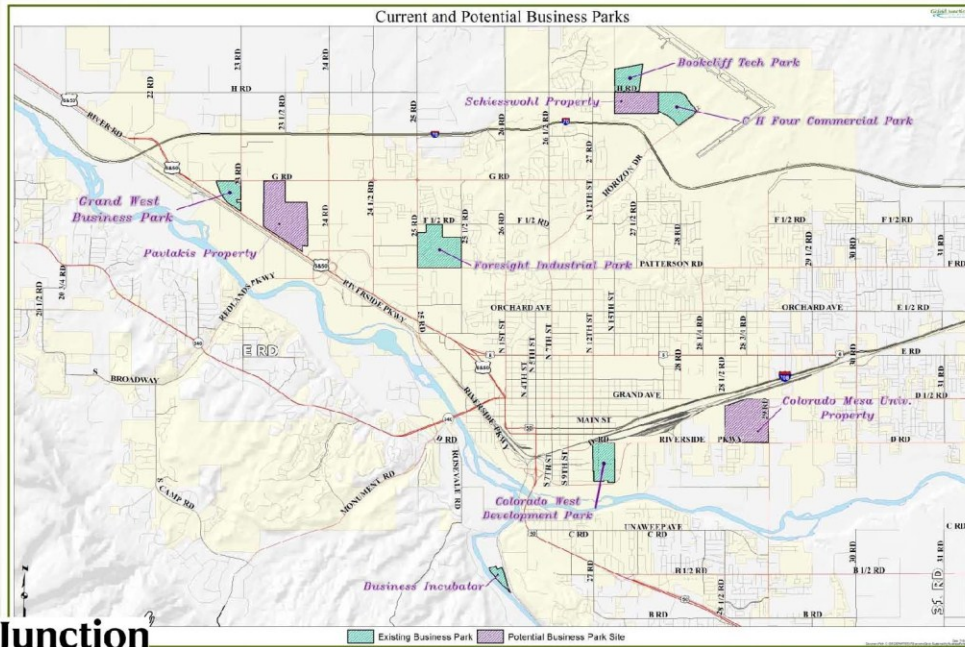
Action Step – Continue to map cell phone coverage and work with service providers to address deficiencies.



Infrastructure

Broadband & Wireless

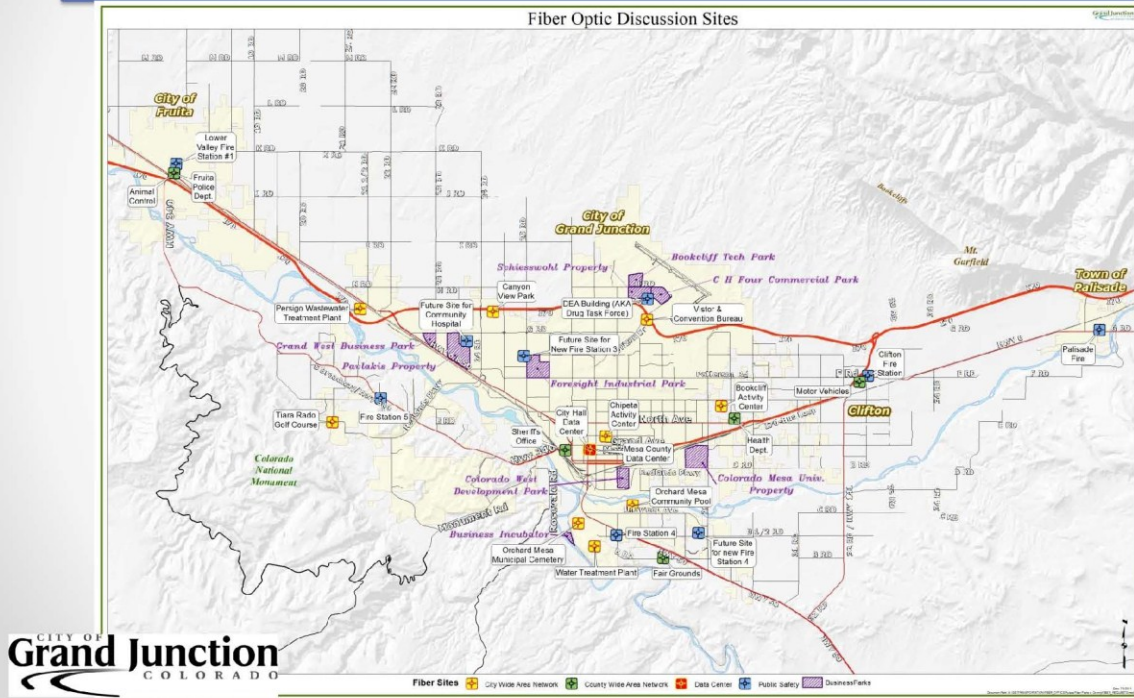
Action Step – Identify core commercial and industrial areas in the city and work with providers to identify broadband capabilities and needs in these areas.



Infrastructure

Broadband & Wireless

Action Step – Identify core commercial and industrial areas in the city and work with providers to identify broadband capabilities and needs in these areas.



Infrastructure

Broadband & Wireless



Download Speeds

Percentage of Population with Access

	Up to 10 MBPS	Up to 25 MBPS	Up to 50 MBPS	Up to 100 MBPS
Ogden	97%	96%	95%	95%
Boise	94%	92%	91%	11%
Pueblo	94%	87%	83%	83%
Nation	92%	84%	82%	60%
Colorado	90%	82%	80%	77%
<i>Grand Junction</i>	<i>34%</i>	<i>13%</i>	<i>1%</i>	<i>0%</i>

Upload Speeds

Percentage of Population with Access

	Up to 10 MBPS	Up to 25 MBPS	Up to 50 MBPS	Up to 100 MBPS
Ogden	95%	28%	28%	28%
Pueblo	85%	3%	3%	3%
Colorado	83%	10%	8%	2%
Boise	65%	10%	10%	10%
Nation	61%	24%	18%	15%
<i>Grand Junction</i>	<i>8%</i>	<i>1%</i>	<i>1%</i>	<i>0%</i>

Infrastructure

Broadband & Wireless

Communication Master Plan

- Mapping the Inventory of Existing Fiber and Wireless Infrastructure and Coverage
- Analysis of Current and Anticipated Growth in Coverage and Infrastructure Needs
- Smart Strategies for Infrastructure Deployment & Asset Utilization
- Comprehensive Telecommunication Plan to assist local governments and industry partners in planning and investments

Infrastructure

Broadband & Wireless

Benefits

- Innovative Public-Private Partnership
- Public Safety
- Economic Development Tool: Incentivize Investments and Attract Business
- Future Opportunities
 - Federal and State grants
 - Private investments
 - Google Cities

Next Steps?

• Communication Master Plan

Infrastructure

Broadband & Wireless

Action Step – Discuss potential tax policies and incentives that relate to broadband and cellular infrastructure.

Colorado HB 14-1327

- Sales and Use Tax Rebate on Broadband Equipment
- Targeted Areas
- “4 down, 1 up”
- \$1 million annually (pro rata)

Consideration: • City Tax Incentive

Infrastructure

Broadband & Wireless

Action Step – Assess properties owned by IDI to see what improvements may make them more marketable.

IDI Meeting in August

Action Step – Research current demand for business parks in Grand Junction and seek grant opportunities to develop business parks.

CNG Cluster Study

- Analysis of manufacturers, maintenance shops and other facilities that would be needed in the CNG industry (now and future growth)
- Types of jobs, training required
- Strategies to increase demand and attract new businesses

Next Steps?

• Grant Application

Infrastructure

Broadband & Wireless

Action Step – Research current demand for business parks in Grand Junction and seek grant opportunities to develop business parks.

Innovation Districts

- “Clusters” of entrepreneurs, incubators, research & educational institutions
- Collaborative Spaces
- Economic Gardening & Networking
- Technology

Incentives

Goal: Continue to explore opportunities and review requests to assist the business community through tax policies, financing options and financial incentives.

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

Action Step – Continue to discuss and evaluate business personal property tax exemption or refund program.

Goal: Actively seek outside grant funding for projects that would advance economic development opportunities.

Action Step – Review grants, loans and financing opportunities available through the Colorado Office of Economic Development and International Trade.

Action Step – Provide information on these grants, loans and financing opportunities on our website.

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

Urban Renewal Authority

History and Background

Challenges and Legislative Assaults

Alternatives

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

- Existing Incentives
- Economic Development Partners
- Municipal Best Practices
- Research

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

Financial Incentives

- Grants
- Revenue Sharing
- Tax Rebates and Refunds
- Cash and Real Estate

“Despite the enormous expenditures being made on these programs, the evidence suggests that tax incentives are of little benefit to the states and localities that offer them, and that they are actually a drag on national economic growth.”

Carl Davis, Institute on Taxation and Economic Policy

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

Alternative Incentives

- Workforce Development
- Planning and Permitting Processes
- Research and Data
- Infrastructure Improvements
- Networking and Promotion

"You have to ask yourself if the money wouldn't be better spent on lower taxes for everyone, or by investing money in education or infrastructure—stuff the government does to make its economy more attractive."

Donald Boyd, senior fellow at the Rockefeller Institute of Government.

Incentives

Action Step – Continue to review local, state and federal data looking for economic development trends.

Top 10 Site Selection Factors

- 1- Skilled Workforce
- 2- Location
- 3- Labor Cost
- 4- Occupancy and Construction Costs
- 5- Telecommunication Infrastructure
- 6- Available Buildings
- 7- Corporate Tax Rate
- 8- State and Local Incentives
- 9- Union Activity
- 10- Energy Availability and Costs

Source: Area Development Magazine

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

Façade Improvement Grant Program

- Capital Improvements to Exterior
- Matching Grant (with cap)
- Formal Grant Application and Funded Cycles
- Target Gateways or Distressed Areas

Consideration: • City Grant Program

Incentives

Action Step – Review grants, loans and financing opportunities available through the Colorado Office of Economic Development and International Trade.

- Enterprise Zones
 - Investment Tax Credit
 - Job Training Tax Credit
 - Business Facility New Jobs Credit
 - Vacant Building Rehab Credit
- Colorado FIRST & Existing Industry
- Job Growth Tax Incentive
- Advanced Industries

Incentives

Action Step – Continue to discuss and evaluate business personal property tax exemption or refund program.

Business Personal Property

- Property tax on assets used in business (equipment, furniture, machinery)
- 1,692 businesses with \$730,000 in City property tax liability
- City's portion of liability is ~13%

New Colorado Income Tax Credit

- Income tax credit for business personal property tax paid
- Value of total property must be less than \$15,000
- 402 businesses in Grand Junction

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

Vendors Compensation

- 3.33% of city sales tax collected with no cap

Of all 69 Home-Rule Cities:

- 29 do not allow vendors compensation
- 24 have lower vendor compensation rates
- 15 have the same compensation rate (8 of which cap the amount)
- 1 has a higher vendors compensation rate

Compensation Caps

- 21 cities cap vendors compensation (\$25 - \$600)

Incentives

Action Step – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.

\$1.35 million in 2013 given in vendors compensation

- \$250 cap per-return captures \$475,000 in savings
 - 124 vendors
- \$500 cap per-return captures \$350,000 in savings
 - 52 vendors
- \$1,000 cap per return captures \$240,000 in savings
 - 24 vendors

Marketing

Goal: Identify and Coordinate Efforts of Economic Development Partners.

Action Step – Identify and understand the existing efforts of the Economic Development Partners.

Action Step –As part of the annual budget process, evaluate the success of our current marketing efforts and identify potential opportunities for new or coordinated marketing efforts.

Marketing

Action Step –As part of the annual budget process, evaluate the success of our current marketing efforts and identify potential opportunities for new or coordinated marketing efforts.

Strengths

- Tax Policies
- Workforce Development
- Inexpensive Labor
- Community Assets

Weaknesses

- Current Investments in Marketing
- Web Presence

Marketing

Action Step –As part of the annual budget process, evaluate the success of our current marketing efforts and identify potential opportunities for new or coordinated marketing efforts.

Focus on Collaborative Marketing

Immediate Deployment:

- Internet Presence
 - Website Upgrades
 - Search Engine Optimization

Future Considerations:

- Marketing Consultant
- Print, Online Advertisements
- Site Selector Relationships

Combined Ratings

CORPORATE SURVEY 2013*

Site selection factors	2013	2012
Ranking		
1. Availability of skilled labor	95.1	89.4 (3) *
2. Highway accessibility	93.5	90.1 (2)
3. Labor costs	90.8	90.8 (1)
4. Occupancy or construction costs	87.4	82.8 (5)
5. Availability of advanced ICT services	84.6	85.1 (4)
6. Available buildings	83.3	78.4 (8)
7. Corporate tax rate	82.4	79.3 (7)
8. State and local incentives	81.9	71.1 (13)
9. Low union profile	81.4	73.5 (10)
10. Energy availability and costs	80.8	81.3 (6)
11. Tax exemptions	80.6	75.4 (9)
11T. Right-to-work state	80.6	72.6 (11)
13. Available land	80.3	59.0 (18)
14. Expedited or "fast-track" permitting	76.3	67.2 (15)
15. Proximity to major markets	75.6	72.2 (12)
16. Availability of long-term financing	74.8	63.1 (17)
17. Environmental regulations	71.7	71.1 (13T)
18. Inbound/outbound shipping costs	70.9	63.7 (16)
19. Proximity to suppliers	67.7	54.9 (19)
20. Raw materials availability	60.5	49.7 (23)
21. Accessibility to major airport	59.4	52.9 (21)
22. Proximity to technical college/training	54.1	50.3 (22)
23. Training programs	51.5	54.7 (20)
24. Availability of unskilled labor	48.9	42.9 (25)
25. Railroad service	29.4	43.6 (24)
26. Waterway or oceanport accessibility	20.2	19.9 (26)
Quality-of-life factors		
Ranking		
1. Low crime rate	80.9	79.3 (1) *
2. Healthcare facilities	79.7	69.8 (2)
3. Housing costs	75.3	68.9 (4)
4. Ratings of public schools	73.0	63.3 (5)
5. Housing availability	71.5	69.8 (2T)
6. Recreational opportunities	66.4	52.9 (8)
7. Colleges and universities in area	59.5	61.6 (6)
7T. Climate	59.5	55.0 (7)
9. Cultural opportunities	54.8	48.9 (9)

*All figures are percentages and are the total of "very important" and "important" ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.
 ** (2012 ranking)

Figure 32