

AGENDA
LAKEWOOD CITY COUNCIL AND
LAKEWOOD REINVESTMENT AUTHORITY
JOINT STUDY SESSION
CITY OF LAKEWOOD, COLORADO
VIRTUAL MEETING
MARCH 7, 2022
7:00 P.M.

To watch the Council Workshop live, please use either one of the following links:

City of Lakewood Website: <https://www.Lakewood.org/CouncilVideos>

or

Lakewood Speaks: <https://lakewoodspeaks.org/>

How to Connect to provide Public Comment:

By Computer: <https://lakewood.zoom.us/j/82062813086>

By iPad, iPhone, or Android device on the Zoom App, enter webinar ID: **820 6281 3086**

By Telephone: **720-707-2699**

Webinar ID: **820 6281 3086, #**

Participant ID: **#**

Press *9 to Request to Speak, you will be prompted when to speak.

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ITEM 1 – CALL TO ORDER

ITEM 2 – ROLL CALL

ITEM 3 – PRESENTATION – AN OVERVIEW OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT

PUBLIC INPUT

ITEM 4 – PRESENTATION – AN OVERVIEW OF THE LAKEWOOD REINVESTMENT AUTHORITY

PUBLIC INPUT

ITEM 5 – PRESENTATION – AN OVERVIEW OF BUSINESS IMPROVEMENT DISTRICTS

PUBLIC INPUT

**ITEM 6 – PRESENTATION – AN OVERVIEW OF A PROPOSED RESOLUTION
AUTHORIZING THE EXPANSION OF THE LAKEWOOD REINVESTMENT
AUTHORITY BOARD OF COMMISSIONERS**

PUBLIC INPUT

ITEM 7 – REPORTS

ITEM 8 – ADJOURNMENT

STAFF MEMO

DATE OF JOINT STUDY SESSION: MARCH 7, 2022 / AGENDA ITEM NO. 3

To: Mayor & City Council Members

From: Robert Smith, Economic Development Director, 303-987-7732

Subject: **CITY HALL 101 - ECONOMIC DEVELOPMENT OVERVIEW & UPDATE**

SUMMARY STATEMENT: The Economic Development Team will present an Economic Development overview and update.

BACKGROUND INFORMATION: The Lakewood Economic Development Team measures many things in the economy, employment and real estate. Most of the metrics we follow distill down to three fundamental measures: Jobs, Capital Investment, and Change in the Tax Base. We'll present some of our tracked metrics and how they shape the EconDev Team's work.

Lakewood's Economic Development Team follows a Strategic Plan with four main areas of emphasis: Attraction; Business Retention & Expansion; Work Force Development & Entrepreneurialism; and Marketing & Communications. (Source: Lakewood Economic Development Strategic Plan.)

We'll recap several EconDev programs unique to 2021 as well as preview 2022's tactical initiatives.

Our community completed 33 Development Highlight projects in 2021. There were 49 additional Development Highlight projects under construction as 2022 began. www.lakewood.org/development-highlights-map (Source: Lakewood's Planning, Public Works and Economic Development Departments.)

2020 was a year with huge swings in employment for Lakewood and the country. 2021 was much more stable for jobs in our community. It may be recalled in April, 2020, alone, more than 23 million jobs were lost nationally and Lakewood certainly was affected by those same trends working on the national level. Our 2021 numbers in the local Lakewood economy have recovered well since 2020. Local jobs in most sectors have reached the numbers seen in the pre-pandemic economy. While there are still elements not quite clicking in the overall jobs picture, we're confident in saying the employment elements of our local economy have come back strong. We'll present the local Lakewood jobs picture and how it aligns with regional and national trends.

From an Economic Development perspective, all jobs are needed jobs. (Jobs are neither bad nor good.) Some jobs pay higher than average wages, but all jobs weave together creating the fabric of our local economy. Businesses by nature are constantly trimming costs to maximize profits. Jobs are only created when demand for product/services cannot be met in some less expensive way. So, the goal is always to attract and retain efficient employers with business models, where their enterprise meets solid demand

Nearly every sector added jobs and business formation was at near record highs. Partly this a result of resources forming to address pandemic related issues. Partly it is in response to the relatively great economy experienced outside of the pandemic tumult. The greatest growth in numbers of new firms and jobs, by segment, were in the Professional, Scientific and Technical Services; Health Care & Social Assistance; as well as (somewhat surprisingly) Retail Trade. (Source: Lakewood Economic Development, Employer Surveys and QCEW Data)

BUDGETARY IMPACTS: None

STAFF RECOMMENDATIONS: There are no staff recommendations at this time

ALTERNATIVES: There are no alternatives being suggested.

PUBLIC OUTREACH: This meeting was properly noticed and there has been no additional public outreach on this agenda item.

NEXT STEPS: There are no next steps known at this time

ATTACHMENTS: There are no attachments to this Memo.

REVIEWED BY: Kathleen E. Hodgson, City Manager
Benjamin B. Goldstein, Deputy City Manager
Alison McKenney Brown, City Attorney

STAFF MEMO

DATE OF JOINT STUDY SESSION: MARCH 7, 2022 / AGENDA ITEM NO. 4

To: LRA Board Chair & Commissioners

From: Robert Smith, Economic Development Director & LRA Executive Director, 303-987-7732

Subject: **AN OVERVIEW OF THE LAKEWOOD REINVESTMENT AUTHORITY (LRA)**

SUMMARY STATEMENT: This presentation will provide an overview of the basic elements related to urban renewal authorities in general, and Lakewood's urban renewal authority, the Lakewood Reinvestment Authority (the "LRA"), in particular.

BACKGROUND INFORMATION: The primary purpose of urban renewal is to mitigate blight. It is a tool that has been used with success in Colorado since the late 1950s to focus local resources and improve communities.

- At the November 1997 election, Lakewood residents voted in favor of creating an urban renewal authority for Lakewood and designating the Lakewood City Council as the authority's board. As a result of the election, the Lakewood City Council created the LRA in January 1998, with the City Council as the Board, via Resolution 1998-4.
- The LRA currently manages four urban renewal areas along Colfax and Alameda Avenues. These areas were designated in various years: Alameda Corridor Phase 1 in 1998; Colfax & Wadsworth in 1999; Alameda Corridor Phase 2 in 2000; and West Colfax Corridor in 2005.
- Municipalities are primarily responsible for creating urban renewal authorities and approving urban renewal plans. If the community has a desire to establish additional urban renewal areas, the approval of such areas would be a decision of the City Council.
- The certified assessed value in effect when an urban renewal plan is adopted (the "Base Value") is used to determine the base year for calculating how much, if any, revenue is available to pay the debt incurred in connection with development of an urban renewal project.
 - The urban renewal project causes the properties in the project area to increase in assessed value over time, which leads to property tax revenue beyond what would have been collected on the Base Value of those properties (the "Base Revenue"). The additional tax revenue is the "tax increment."
 - The Base Revenue will continue to be paid over to each of the various taxing authorities (i.e., the county, school district(s), metropolitan districts, etc.) within the urban renewal area, just as it was prior to urban renewal plan approval, but the tax increment is paid annually into a fund of the urban renewal authority to pay expenses and debt associated with the urban renewal project. Because the urban renewal project is funded by the tax increment, it is called Tax Increment Financing or "TIF."
 - Sales taxes may also be included in TIF. In such situations, the amount of sales tax revenue collected *in excess* of that collected in the year the urban renewal plan was adopted is the sales tax increment and is paid annually into the urban renewal fund.
- An urban renewal plan can allow the urban renewal authority to receive and retain the tax increment for up to 25 years.

- In accordance with Colorado Revised Statutes section 31-25-103(2), a new urban renewal area can be established only after a conditions survey (a/k/a a “blight study”) is conducted showing the proposed urban renewal area has sufficient factors of blight. Eleven (11) factors of blight are to be examined, and if at least four factors are present, an area may be designated as blighted. The following are the 11 blight factors:
 - Deteriorated or deteriorating structures
 - Defective or inadequate street layout
 - Faulty lot layout in relation to size, adequacy, accessibility, or usefulness
 - Unsanitary or unsafe conditions
 - Deterioration of site or other improvements
 - Unusual topography or inadequate public improvements or utilities
 - Defective or unusual conditions of title rendering the title non-marketable
 - Conditions that endanger life or property by fire or other causes
 - Buildings that are unsafe or unhealthy for people to live or work
 - Environmental contamination of buildings or property
 - Existence of health, safety, or welfare factors requiring high levels of municipal services or substantial underutilization or vacancy of buildings, sites, or improvements
- Not all properties within a proposed urban renewal area must exhibit four or more blight factors. Rather, it is the area, when considered as a whole, that must have sufficient factors of blight to be designated as blighted. It is not uncommon for some parcels within a proposed urban renewal area to contain no blight factors, while other parcels have several factors.
- A new urban renewal area (or, in Lakewood, a “reinvestment area”) also can only be established after the City Council has accepted & approved, after a public hearing, the conditions survey for the proposed reinvestment area, and the LRA Board has approved a redevelopment plan for the new area.
- In order to establish new reinvestment areas (or to significantly modify existing reinvestment areas), and remain in compliance with State law, the LRA Board would need to add new commissioners. (See Staff Memo: Overview of Proposed Resolution Authorizing Expansion of the LRA Board of Commissioners)

BUDGETARY IMPACTS: None applicable to this presentation.

STAFF RECOMMENDATIONS: None applicable to this presentation.

ALTERNATIVES: There are no alternatives being suggested.

PUBLIC OUTREACH: This meeting was properly noticed and there has been no additional public outreach on this agenda item.

NEXT STEPS: No additional steps are necessary.

ATTACHMENTS: None.

REVIEWED BY: Kathleen E. Hodgson, City Manager
 Benjamin B. Goldstein, Deputy City Manager
 Gregory Graham, Senior Assistant City Attorney

STAFF MEMO

DATE OF JOINT STUDY SESSION: MARCH 7, 2022 / AGENDA ITEM NO. 5

To: Mayor & City Council Members

From: Robert Smith, Economic Development Director – 303-987-7732

Subject: **AN OVERVIEW AND UPDATE ON BUSINESS IMPROVEMENT DISTRICTS (BIDS)**

SUMMARY STATEMENT: A presentation on the basics of Business Improvement Districts (BIDs). Lakewood has two BIDs:

- The Alameda Corridor Business Improvement District; and
- The Lakewood-West Colfax Business Improvement District.

BACKGROUND INFORMATION: BIDs are defined areas where businesses choose to pay additional property taxes to fund projects within the BIDs boundaries. Title 31 of the Colorado Revised Statutes grants the City continual oversight authority and requires the City to review and approve each BID's Operating Plan and budget on an annual basis. This oversight role is critical to transparency and ensuring a positive public perception of BID activities.

Lakewood's two BIDs are primarily self-governing entities with significant authority, including the authority to incur debt and impose taxes and fees on commercial property within the district. Both BIDs were created by City Council ordinance, which also approved the BIDs' initial Operating Plans, budgets and board members. The BIDs are governed by an independent board of directors appointed by the City Council from property and business owners in the BIDs' defined areas.

The BIDs fill a significant role in Lakewood's vibrancy. The boards choose to distribute the funding for appropriate supplemental services above and beyond what Lakewood provides for that area. Services can include street cleaning, additional security, streetscape enhancements, pedestrian connectivity, public events, business recruitment and marketing.

The Alameda Corridor Business Improvement District runs along Alameda Blvd. from Sheridan Blvd to Carr St. in Lakewood. The boundary of the Alameda BID includes properties as far north as Cedar Ave. and as far south as Ohio Ave. Managed by an Executive Director, the Alameda Corridor BID elects to spend revenue on streetscape improvements, streetscape maintenance, grants programs, and marketing the Alameda Ave. corridor.

The Lakewood-West Colfax Business Improvement District runs along W. Colfax Ave. from Sheridan Blvd to Welch St. in Lakewood. The boundary of the Lakewood-West Colfax BID includes properties as far north as W 18th Ave and as far south as W. 14th Ave. Managed by an Executive Director, the Lakewood-West Colfax BID elects to spend revenue on district advocacy, district identity, improvements and marketing the W. Colfax Ave. corridor.

Additional information on the Alameda Corridor Business Improvement may be found on their website: <https://alamedaconnects.org/about-the-bid/>

Additional information on the Lakewood-West Colfax Business Improvement District may be found on their website: <https://bid.westcolfax.org/about>

BUDGETARY IMPACTS: None

STAFF RECOMMENDATIONS: There are no staff recommendations at this time

ALTERNATIVES: There are no alternatives being suggested.

PUBLIC OUTREACH: This meeting was properly noticed and there has been no additional public outreach on this agenda item.

NEXT STEPS: There are no next steps known at this time

ATTACHMENTS: There are no attachments to this Memo.

REVIEWED BY: Kathleen E. Hodgson, City Manager
Benjamin B. Goldstein, Deputy City Manager
Gregory Graham, Senior Assistant City Attorney

STAFF MEMO

DATE OF JOINT STUDY SESSION: MARCH 7, 2022 / AGENDA ITEM NO. 6

To: Mayor & City Council Members

From: Robert Smith, Economic Development Director, 303-987-7732

Subject: **PROPOSED EXPANSION OF THE LAKEWOOD REINVESTMENT AUTHORITY BOARD OF COMMISSIONERS**

SUMMARY STATEMENT: As discussed at the joint study session held among the City Council and the Lakewood Reinvestment Authority (“LRA”) Board of Commissioners (the “Board”) on August 2, 2021, a resolution approving expansion of the Board will soon come before Council and the Board for discussion and possible approval. This resolution would authorize the expansion of the Board in alignment with the Urban Redevelopment Fairness Act, which became effective in January 2016.

BACKGROUND INFORMATION:

- The primary purpose of urban renewal is to mitigate blight. It is a tool that has been used with success in Colorado since the late 1950s to focus local resources and improve communities.
- At the November 1997 election, Lakewood residents voted in favor of creating an urban renewal authority for Lakewood and designating the Lakewood City Council as the authority’s board. As a result of the election, the City Council created the LRA in January 1998, with Council as the Board, via Resolution 1998-4.
- The Urban Redevelopment Fairness Act, often referred to as HB1348 (the “Act”), went into effect in January 2016. Among other things, the Act requires urban renewal authorities that, *after 2016*, create new urban renewal areas, or substantially modify an existing urban renewal area, to include on their boards of commissioners one representative from the county, one school district representative and one special district representative within the new or substantially modified urban renewal area. The Act also authorizes the City to appoint an additional representative to assure an odd number of commissioners as part of the expansion of the board.
- The LRA currently manages four urban renewal areas along Colfax and Alameda Avenues. These areas were designated in various years: Alameda Corridor Phase 1 in 1998; Colfax & Wadsworth in 1999; Alameda Corridor Phase 2 in 2000; and West Colfax Corridor in 2005.
- If the City Council were to create a new urban renewal area or substantially modify an existing urban renewal area, the Board would be required to add additional representatives as set forth above to comply with the Act.
- In the August 2, 2021, joint study session, the City Council and the Board indicated they would like to consider a resolution for Board expansion at a future date. A resolution to approve Board expansion to add four (4) seats to the current eleven (11), for a total of fifteen (15) commissioners, is currently scheduled for the City Council’s March 28, 2022, meeting.

- In accordance with the Act, the four (4) new commissioners would include one representative of Jefferson County selected by the Board of County Commissioners, one representative of the Jeffco Public Schools, who is required to be a school board member, a *single* representative, also required to be a board member of a special district, representing all special districts within the urban renewal area, and a fourth new commissioner appointed by the Mayor (subject to Council approval) to keep the total number of commissioners at an odd number.
- The Resolution would establish a date at least 90 days from its approval when expansion of the Board would become effective. During this period, LRA staff would work with the County, the School District, the special districts and the Board to identify and welcome each of the four (4) new commissioners to the LRA.
- The expansion of the Board would not impact the established base or increment sharing for urban renewal areas or projects established prior to 2016, and no new agreements would need to be negotiated regarding these pre-2016 areas.
- If and when new urban renewal areas are designated, or existing areas are substantially modified, an intergovernmental agreement will be negotiated among the City, the County, the School District the special districts' representative, and all other taxing entities within the urban renewal area including amounts of increment to be pledged to the mitigation of blight within the new or substantially modified urban renewal areas.

BUDGETARY IMPACTS: None

STAFF RECOMMENDATIONS: There are no staff recommendations at this time.

ALTERNATIVES: There are no alternatives being suggested.

PUBLIC OUTREACH: This meeting was properly noticed and there has been no additional public outreach on this agenda item.

NEXT STEPS: Consideration on March 28, 2022, of a resolution to approve LRA Board expansion.

ATTACHMENTS: There are no attachments to this Memo.

REVIEWED BY: Kathleen E. Hodgson, City Manager
Benjamin B. Goldstein, Deputy City Manager
Gregory Graham, Senior Assistant City Attorney
Corey Hoffmann, Special Counsel