

## **CITY OF LONGMONT**

### **EXISTING ECONOMIC DEVELOPMENT INCENTIVES & PROGRAMS**

The City of Longmont has always recognized how important economic development and new jobs are to the community's prosperity and overall quality of life. The City has a history of using a variety of programs to assist the private sector in making decisions to expand or locate in Longmont. The following ordinances, plans and programs are currently being used to provide some form of "public" assistance to new and existing commerce and industry.

#### **MONETARY INCENTIVES**

**Development Fee Rebate Ordinance** – Adopted in 1988, this ordinance enables new and expanding industrial developments to receive up to a 30% rebate of some of the fees collected at the time of issuing a building permit. If special circumstances exist, 100% of building permit fees can be rebated by the City Council. The only fees not eligible to be rebated are those necessary to retire debt for capital improvements (i.e., water, sewer, storm drainage). To date, about \$2,400,000 of certain building permit fees have been waived or rebated.

**Personal Property Tax Rebate Ordinance** – Adopted in 2007, this ordinance allows a 50% rebate of personal property taxes for new and expanding industry to encourage new primary jobs with wages above the Boulder County median. Additional amounts could be rebated through a formal request of the City Council

**Sales and Use Tax Exemption** – Exempts new businesses, for the first two years, from paying the City 2.95% sales and use tax on the purchase or use of measurement and inspection equipment or research and development equipment.

Exempts all Longmont businesses from paying the City 2.95% sales and use tax on the purchase or use of machinery and machine tools with a cost in excess of \$1,000 to be used in Longmont directly and exclusively in manufacturing tangible personal property.

**Planned Unit Development Ordinance** – Allows density bonuses and reduction of park fees for those projects proposing to construct amenities in addition to what are normally required.

**Downtown Development Authority Fees/ Developers Incentive Program (DIP)**– All City fees collected by the City on projects located within the Longmont Downtown Development Authority are given to the LDDA to be used for public improvements or façade improvements in downtown Longmont. Over \$230,000 has been given to the DDA to date. The DIP grant program, administered by the LDDA, enables an owner of small business to receive up to a 50% grant for the purpose of installing required public improvements. About \$24,000 annually is allocated for this program.

**Downtown Development Authority—Façade Improvement Program**--- The Façade Improvement Program is intended to encourage larger scale redevelopment projects in the downtown area by using tax increment investments by the LDDA. Funding is available to property and business owners for eligible building facades and public improvements. The amount available depends on how successful a project is in meeting certain criteria and the

project's projected annual tax increment. The City staff administers the program for the LDDA. To date, \$1,300,000 has been budgeted for the program.

**Community Development Block Grant (CDBG)** – The City can use a portion of its annual Block Grant funds to finance capital improvements that benefit economic development activities. The City has made about \$70,000 available to the Downtown Development Authority for the purpose of providing no interest/low interest loans to businesses wanting to improve the interiors or exteriors of their buildings.

**Longmont Area Economic Council (LAEC) Support** – Since 1981, the City has given a total of \$2,615,762 to the Longmont Area Economic Council to assist in its efforts to promote and attract commerce and industry to Longmont.

**Longmont Urban Renewal Authority (LURA)** – The City Council serves as the governing board and considers using Tax Increment Financing to assist property owners in redeveloping certain underutilized properties. LURA has approved two urban renewal plans; the 300 acre area between the Sugar Factory and Flour Mill and the 150 acre Twin Peaks Mall area. Both plans encourage mixed use development projects to revitalize those portions of the community.

**Private Activity Bond** – Formerly called Industrial Development Revenue Bonds, this program allows a developer to finance the construction, acquisition and expansion of manufacturing facilities through the use of tax exempt bonds resulting in a much lower cost to the developer. The City annually receives about \$3.8 million from the State Department of Local Affairs for the program.

**Special Improvement Districts (e.g. Business Improvement Districts, Metropolitan Districts)** – The City has an Ordinance allowing the use of Special Improvement Districts by property owners to provide infrastructure financed by low interest, tax-exempt bonds.

**Capital Improvement Program** – Annually, the City spends millions of dollars to construct capital projects that have improved the City's infrastructure and support overall economic development activities throughout the community.

**Art in Public Places Ordinance** – The City Council established a program of requiring 1% of public sector construction costs of projects over \$50,000 to be used to purchase and locate works of art on public land. To date, about \$1,500,000 has been contributed to this program.

**Historic Preservation** - To be eligible for the rebate, at least 30 percent of the total project cost needs to be from work completed on exterior walls, windows, or other exterior architectural features of the structure, unless the Historic Preservation Commission reduces the minimum percentage as part of their review of a certificate of appropriateness.

Up to \$12,500/site on construction materials used to remodel Historic Landmark structures.

## ECONOMIC VITALITY PROGRAMS

**Longmont Economic Gardening Initiative (LEGI)** - The LEGI program provides training, data, and strategic planning assistance through a partnership of local economic development agencies with the City acting as the umbrella organization. The services or information are free or available at a minimal cost and are open to all City of Longmont businesses.

**Business Start-Up Grant (BSUG)** - The purpose is to encourage new sales tax generating storefront businesses in non-residential zoning districts. The program provides a reimbursement grant up to \$2,000 for legitimate start-up costs to qualified applicants.

**Small Business Lending Program** – The program provides access to capital for businesses that are having difficulty obtaining conventional bank financing. The program will provide business loans up to \$50,000 covering typical small business needs, micro loans up to \$5,000, and gap funding for owner-occupied building purchases or expansions. The program is funded with Community Development Block Grant allocations and matched through a lending partner.

**Tourism & Events Grant** – The goal of this grant is to help build Longmont as a destination for visitors by generating new sales tax revenue through tourism, events and related activities. Grants are funded with revenue received through the City's Lodgers' Tax. The Tourism & Events Grants are competitive and subject to the availability of tax revenue.

**Summer Concert Series** - The City has partnered with the Longmont Downtown Development Authority to develop a Downtown Summer Concerts Series funded with revenue from the City's Lodger's Tax.

**Shop Longmont Campaign** – The goal of the *Shop Longmont* campaign is to establish an advertising and educational program that leads to reinvesting in the community through conscience purchasing patterns based upon a consistent and easily identifiable message. It is envisioned that *Shop Longmont* will represent an umbrella idea that compliments other programs such as the Longmont Downtown Development Authority's gift cards, and nondescript efforts that promote minority businesses and encourage using local services.

**Business Outreach Team** – The City is developing a Business Outreach Team to proactively connect with the retail and service business base in Longmont. The program will feature a team consisting of Economic Development Department staff and volunteering partners using Synchronist software to survey and compile data for to help analyze issues and provide solutions.

## NON-MONETARY INCENTIVES

**Development Review Process** – The City has established a Development Services Center as a “one stop” location for the private sector to obtain all building permits. Staff from all applicable city departments have offices at 385 Kimbark Ave. to more effectively handle all development related permit applications. The City’s development code also allows for the concurrent processing of multiple applications needed to obtain a building permit (e.g. annexation, subdivision, planned unit development), typically resulting in reduced processing time.

The City Council has implemented over 50 recommendations from a special citizens’ task force and other focus groups regarding the City’s fees and regulations which were deemed necessary to stay competitive with other Front Range communities. The current development code has been updated to reflect additional modifications to ensure the efficient processing of quality development projects.

**Positive Staff Relations** – The City administration believes that the way in which a government’s staff works with the development community can create a healthy business atmosphere. Time spent by the staff explaining the regulations, collaborating with property owners and negotiating within predetermined guidelines fosters a positive relationship with the private sector and demonstrates that Longmont staff is committed to assisting the “customer” and getting projects quickly approved consistent with City regulations.

**Mixed Land Uses** – The City encourages mixed use developments that combine residential and non-residential uses. This type of development is considered to be more sustainable, helps generate additional jobs and revenues, and affords residents the opportunity to live, work and shop in the same neighborhood. Mixed use developments can occur in areas of the community where mixed land uses are designated and/or in areas that have been identified for redevelopment opportunities. In addition to a mixed use land designation in the comprehensive plan, the City also adopted a mixed use zoning district that can be used either as base district or an overlay district to facilitate mixed use development.

**Quality of Life** – Identifying and measuring a community’s quality of life is a difficult task due to diverse individual perspectives. The City Council has adopted specific quality of life benchmarks to guide its decisions regarding the community’s future growth and development. These benchmarks illustrate Longmont’s ability to provide adequate community services. Housing costs, school capacity, incidence of crime, traffic, and pollution are all monitored to help determine the impact that growth has on Longmont’s quality of life. This information is available by contacting the Economic Development Department, 303-651-8320.