

ADMINISTRATION MEMORANDUM
11-04

DATE: January 27, 2011

TO: Honorable Mayor Joyce Downing & City Council Members

FROM: William Simmons, City Manager *WAS*
Ryan Stachelski, Economic Development Manager *RS*

SUBJECT: CR-11 Expanding Enterprise Zone

RECOMMENDATION:

Attached to this memorandum is a resolution to recommend to the Colorado Economic Development Commission that they amend the State Enterprise Zone to include certain commercial areas outlined in Exhibit 1 of the resolution. It is staff recommendation that City Council supports the resolution.

BACKGROUND:

In October of 2010, economic development staff investigated the possibility that the State enterprise zone could be expanded to additional areas within the City. To qualify an area's per capita income needs to be 25% below the States per capita income at a given point in time or the areas' unemployment rate needs to be 25% higher than the State's unemployment rate at a given point in time.

The results of the investigation, which was done in partnership with Adams County Economic Development (ACED), was that the entire City would qualify for the enterprise zone under the qualifying factor of having an unemployment rate 25% above the State unemployment rate in 2008 (see attachment 2).

While the entire City qualifies for inclusion in the Enterprise Zone, recommendations from ACED, and the State Office of Economic Development and International Trade (OEDIT), the overseeing State agency for the Enterprise Zone program, was to define new areas to the Enterprise Zone as narrowly as possible while still maintaining the positive benefit to the community. As such the newly suggested Enterprise Zones areas are located mainly in commercial areas.

The process for amending the State's Enterprise Zone to include areas within Northglenn is as follows:

1. The City hosted a public meeting for business owners and property owners in the proposed enterprise zone areas on January 5th, 2011. Feedback was taken as to how each area would propose using the enterprise zone in their area. Feedback was also used to determine the appropriateness of expanding the enterprise zone to each area. A total of 9 businesses or 20 people attended the meeting. Staff also received 5 phone calls from interested businesses and property owners. All the comments from the business community were very positive.

2. City Council passes a resolution showing support of new enterprise zone areas.
3. ACED would then create and forward an application on behalf of the city of Northglenn to the State office of Economic Development and International Trade (OEDIT). ACED is the local enterprise zone administrator, which is why they would create and submit the application.
4. OEDIT would put the City's application on the next available meeting of the State's Economic Development Commission (EDC). The current targeted meeting would be March 10th, 2011.
5. Economic Development Staff from Northglenn, ACED, and OEDIT will present the application for enterprise zone expansion along with testimonials from local businesses and City Council's resolution to EDC.
6. If the EDC approves our application the City will be able to add another set of incentives to the future and existing businesses in targeted Northglenn areas.

POTENTIAL OBJECTION:

City Staff is not aware of any specific opposition to the proposed Enterprise Zone expansion.

BUDGET/TIME IMPLICATIONS:

This resolution has no budgetary impacts.

STAFF REFERENCE:

If Council members have any comments or questions, they may contact Ryan Stachelski at 303.450.8743 or rstachelski@northglenn.org.

Attachments:

1. Resolution – CR-11
2. Enterprise Zone Criteria Calculator

Enterprise Zone Criteria Calculator

Northglenn, Colorado

10.15.10



Any municipality, county, or group of contiguous municipalities or counties may propose an area of such municipality, county, or group of municipalities or counties to be designated as an enterprise zone if the area has a population of no more than eighty thousand persons, or one hundred thousand persons if the area is a rural area, and meets at least one of the following additional criteria:

(a) A population growth rate less than twenty-five percent of the state average rate for the most recent five-year period for which data are available from the United States census bureau or the department of local affairs, or, if such data is not available for any five-year period, for the most recent period of not less than five nor more than ten years for which such data is available; or

(b) An unemployment rate at least twenty-five percent above the state average for the most recent period of twelve consecutive months for which data is available from the department of labor and employment;

(c) A per capita income less than seventy-five percent of the state average for the most recent period for which data is available from the United States census bureau or the department of local affairs.

a) Population				
	2000	2008	Percent	Benchmark (25% below)
State				
Colorado	4,301,261	4,844,568	12.63%	9.5%
Census Tract				Meets Criteria (Yes or No)
71.01	31,575	35,238	11.60%	NO

b) Unemployment Rate (2008)	
	Benchmark (25% above)
3	
5.3%	6.6%
Actual	Meets Criteria (Yes or No)
7.7%	YES

c) Per Capita Income (2008)	
State	Benchmark (less than 75%)
\$ 30,129	\$ 22,597
Actual	Meets Criteria (Yes or No)
\$ 24,322	NO

Enter Census Data in grey boxes. Benchmark is in yellow.

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-11
Series of 2011

Series of 2011

A RESOLUTION REGARDING AMENDMENT OF THE COLORADO ENTERPRISE ZONE TO INCLUDE CERTAIN COMMERCIAL AREAS LOCATED IN THE CITY OF NORTHGLENN

WHEREAS, Article 30, of Title 39, of the Colorado Revised Statutes authorizes the creation of an enterprise zone to encourage the expansion of employment opportunities in areas that meet certain criteria of economic distress related to unemployment, population growth, and per capita income;

WHEREAS, such an enterprise zone has been created in portions of the City of Northglenn and Adams County;

WHEREAS, existing enterprise zone boundaries may be amended to include additional areas in conformance with the standards in the C.R.S. §§ 39-30-101 through 109; and

WHEREAS, certain areas of the City of Northglenn, as shown on the attached Exhibit 1, are found to meet the standards for inclusion in an enterprise zone.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The City of Northglenn supports amendments of the boundaries of the Colorado Enterprise Zone to include those portions for the City of Northglenn shown in Exhibit 1, attached hereto and incorporated herein by this reference.

Section 2. The City Council of the City of Northglenn urges the Colorado Economic Development Commission to consider the amendment shown on the attached exhibit to be included in the Colorado State Enterprise Zone.

DATED, at Northglenn, Colorado, this ____ day of _____, 2011.

JOYCE DOWNING
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

Current and Possible Future Enterprise Zone Map



Exhibit 1

