



TOWN OF ERIE - ECONOMIC INCENTIVES POLICY

Introduction

The Town of Erie Economic Incentives Policy is designed to foster a thriving, diverse, and resilient economy by supporting businesses and developers that bring extraordinary value to the community. Through strategic partnerships, the Town promotes job creation, capital investment, economic diversification, and enhanced quality of life for residents.

Objectives

The Policy encourages high-quality, private sector investments in real estate and workforce development while advancing the Economic Development goals identified by Town Council and Staff, including:

1. Fiscal sustainability and economic resilience
2. Local workforce development
3. Business retention, growth, and attraction
4. Entrepreneurship and innovation
5. Programming and community activation

Approach

The Town's Philosophy on incentives is the assistance must serve a public purpose, as determined by the Town Council in its discretion including but not limited to providing significant economic, cultural, and/or social benefits to the citizens of Erie in the form of jobs, new economic activity, increased tax revenues and/or cultural or social opportunities. All incentive agreements shall be performance based, meaning that before any monies are disbursed, the business shall meet or exceed the specific performance measures identified in the incentive agreement.



Commercial Development Incentives

Retail Development

The Town is committed to strengthening economic growth and community vibrancy by attracting new retailers while supporting existing retail businesses in the community. This incentive aims to reduce retail leakage by promoting retail development and expansion in the community, keeping revenue within Erie while enhancing quality of life.

Eligibility: The Town will support retail projects that:

1. Fill an unmet retail gap
2. Significantly increase commercial real estate inventory
3. Convert residential to commercial given appropriate zoning

Available Incentives:

- Development Fee Rebate
- Retail Sales Tax Rebate
- Use Tax Rebate
- Property Tax Rebate
- Small Business Cash Grant
- Provision of Land and Property

Primary Employer Development

This incentive targets companies that export 50% or more of their goods or services beyond the local region—bringing in outside revenue, fueling new investment and local spending. This influx of funds strengthens the economy and creates opportunities for other businesses like restaurants, retail stores, and service providers.

Eligibility: The Town will support primary employer projects that:

1. Create 10 or more net new jobs
2. Pay an average wage above the county average wage
3. Make substantial capital investments in property, equipment, or infrastructure
4. Align with target industry clusters identified in state and regional industry studies

Available Incentives:

- Development Fee Rebate
- Use Tax Rebate
- Property Tax Rebate
- County and State Incentives



- Infrastructure Support
- Provision of Land and Property

Destination Development

This incentive focuses on supporting growth in entertainment, recreational, arts and hospitality related industries in the community. Creating unique experiences and events that attract tourism dollars and increase the Town's tax base.

Eligibility: The Town will support destination projects that:

1. Attract tourism dollars from outside of the community
2. Create unique experiences in the community
3. Compliment existing tourism assets and events

Available Incentives:

- Development Fee Rebates
- Retail Sales Tax Rebates
- Use Tax Rebates
- Property Tax Rebates
- Special Financing Districts
- Provision of Land and Property

Redevelopment, Revitalization & Infill Development

This incentive encourages investment in historic, vacant, or underutilized property in key commercial areas to stimulate economic activity and enhance community well-being.

Eligibility: Applications for consideration involve improvements visible from the public right of way or create better public accessibility. This includes architectural/design assistance, façade, landscape, parking areas, exterior lighting, and Americans with Disabilities Act (ADA) improvements and signage.

Available Incentives:

- Development Fee Rebates
- Retail Sales Tax Rebates
- Use Tax Rebates
- Property Tax Rebates
- Special Financing Districts
- Provision of Land and Property



Incentive Types

The Town offers several types of incentives either individually or in various combinations to meet its economic vitality goals. The economic development department will work with other relevant town staff to utilize the following local incentive tools on a case-by-case basis.

Provision of Land and Property

The Town may consider the provision of land or property to a developer or business for a project that aligns with the Town's vision and policy goals.

Development Fee Rebate

A full or partial fee rebate for eligible development fees incurred during the design and entitlement phases of the project. Eligible development fees are those which are collected into the General Fund. Development fees may be rebated upon issuance of certificate of occupancy.

Retail Sales Tax Rebate

A full or partial rebate of the Town portion of retail sales tax (3.5%) generated from the project. Rebate structure based on demonstrated financial need and retail sales projections. Retail Sales Tax may be rebated on an annual basis determined by the terms of the incentive agreement.

Use Tax Rebate

A full or partial rebate of the Town Use Tax (3.5%) generated from the construction and building materials used for the project. Rebate structure based on demonstrated financial need. Use tax may be rebated upon issuance of certificate of occupancy.

Property Tax Rebate

A full or partial rebate of the General Operating Funds portion of the Town's mill levy (7.288 as of 2025) generated by commercial property's assessed value. Rebate structure based on demonstrated financial need and property tax projections. Property Tax may be rebated on an annual basis determined by the terms of the incentive agreement.



Special Financing Districts

The Town may consider creating a variety of special financing districts which would allow the district to finance, design, plan, construct, install and/or complete public improvements related to a development project.

Special financing districts can include but are not limited to:

- Business Improvement District (BID)
- General Improvement District (GID)
- Local Improvement District (LID)
- Metropolitan District
- Urban Renewal Authority (URA)

Incentive Request Process

How to Apply

1. Applicants submit an interest form to the Economic Development Department with the following information:
 - a. A financial proforma: This will allow staff to estimate the potential economic benefits, including direct revenues, cost, induced/indirect impact of the community over the proposed incentive performance period or payback period.
 - b. A formal letter to the Economic Development Director justifying the need for an incentive from the Town of Erie.
 - c. A well-developed conceptual site plan and or site rendering.
2. Applicant meets with the Town's Economic Development Department in a preliminary meeting.
3. Applicant meets with the Town's Development Review Team in a pre-application meeting.
4. The Economic Development Department negotiates the incentive terms until there is mutual agreement of obligations and terms.



5. The Economic Development Department determines the appropriate recommendation and finalizes incentive agreement for Town Council consideration.
6. The incentive agreement is presented to the Town Council. Requests may first be presented to Town Council at a study session with formal action taken at a subsequent Town Council public hearing where public testimony may be considered.
7. All applications are subject to a fully executed incentive agreement, budget appropriation and final Town Council approval.

Evaluation Criteria

The requestor shall provide a formal written narrative describing how the proposal qualifies the following evaluation criteria for the requested incentive program.

1. Total Capital Investment
 - a. Real Estate Purchase
 - b. Infrastructure Expenditure
 - c. Equipment Expenditure
 - d. Number of New Jobs Created
 - e. Average Wage Cost
2. Community Impact
 - a. Visual Impact
 - b. Community Involvement
 - c. Sustainable Business Practices
 - d. Impact on Infrastructure
 - e. Historic Preservation



Special Consideration

Additional consideration is given to proposed projects that advance policy goals and demonstrate the following:

- Facilitates the development of historically difficult-to-develop or economically disadvantaged parcels.
- In addition to advancing other goals, the project faces unusual tax or regulatory burdens (e.g., metro district taxes).
- Business is an existing locally owned independent entity that contributes to the character and culture of the community.
- Employ workers in targeted industry sectors as prioritized by state and regional industry cluster studies (e.g., NoCo Industry Cluster Study, Metro Denver EDC Industry Cluster Study)
- The proposed project advances transportation priorities beyond standard development requirements or requires extraordinary investment to meet standards e.g., significant bike/ped infrastructure or transportation services for employees.