



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Town Council

Board Meeting Date: 1/28/2020

File #: 20-081, Version: 1

SUBJECT: General Business

An Ordinance of the Town of Erie to Approve Enhanced Sales Tax Incentive Program

DEPARTMENT: Economic Development

PRESENTER: Ben Pratt, Economic Development Director

TIME ESTIMATE: 10 minutes

FISCAL INFORMATION: N/A

Cost as Recommended:

Balance Available:

Budget Line Item Number:

New Appropriation Required:

STAFF RECOMMENDATION:

Approve Ordinance

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

With increasing regional competition, it is important for Erie to create and maintain an exceptional business climate. A key component is the creation of an expanded business and development incentive program. Staff has developed a program framework to support core Erie Economic Development priorities including: attraction and expansion of primary employers, attraction and expansion of targeted retail, and investments in projects of economic significance or serving as an economic catalyst. The program is designed to create jobs, expand the tax base, encourage existing businesses to make capital investments, and spur new office, industrial, and retail expansion and development. It is critical that all incentive programs create a net positive job and economic impact on the community. Staff will evaluate the need for and use of incentives on a case-by-case basis.

Staff proposes implementing this program in a phased approach as follows:

Phase 1: January 28th, 2020

- Adopt Enhanced Sales Tax Increment Program (ESTIP), administered Town Wide
- Sponsor CoSolve Erie: This increases business services and provides access to a newly established Erie Evergreen Angel Fund

Phase 2: End of Q2

- Expand Town of Erie Urban Renewal Authority Incentives/Program offering
- This will address Capital/Facade improvement projects, and infrastructure projects, "Economic Catalyst" projects
- Will be in response to Old Town Infrastructure Audit

Phase 3: 2021

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- Contingent on Home Rule Charter Adoption: Expand appropriate TOEURA Incentive Programs Town Wide
- Introduce Job Creation Incentive Program

ATTACHMENTS:

1. Ordinance
2. Presentation