
TAX INCREMENT FINANCING – INTERGOVERNMENTAL AGREEMENT

MARCH 5, 2018

AGENDA

- How We Got Here:
 - 2014-2016 Tax Increment Financing (TIF) Regional Study
 - Colorado House Bill 15-1348
- Overview of Draft Intergovernmental Agreement (IGA)
- Questions?

HOW WE GOT HERE

- **2014-2016 TIF Regional Study**
 - Representatives from municipalities, county and special districts studied issue of TIF
 - Engaged consultant to help with consensus, develop project review criteria, Fiscal Impact Model
 - Formed “Core Group” to study issue on behalf of full group
 - Issued Final Report including recommendations and Fiscal Impact Model
 - Developed qualitative Evaluation Criteria

- **Colorado House Bill 15-1348**
 - Reformed Urban Renewal Authority (URA) creation/substantial modification process
 - Added members to URA Boards (County, Special Districts, School District)
 - Requires Fiscal Impact Model
 - Requires Negotiation and Agreement with all impacted taxing authorities

HOW WE GOT HERE

IGA Core Group

- Met to create an Intergovernmental Agreement to implement Regional Study recommendations
- Membership:
 - Larimer County
 - City of Fort Collins
 - City of Loveland
 - Town of Estes Park
 - Health District of Northern Larimer County
 - Poudre Valley Library District
 - Poudre School District
 - Thompson School District

DRAFT INTERGOVERNMENTAL AGREEMENT

- Draft Intergovernmental Agreement
 - Sets principles for best uses of TIF from Regional Group Study
 - Creates Project Review Committee (PRC)
 - Establishes process for review and recommendations for negotiations

- GOALS:
 - Bring parties together early to enhance understanding & facilitate agreement
 - Municipality hears concerns and recommendations during negotiations with developer
 - Process designed to streamline negotiations with disparate taxing authorities
 - Provide information to smaller districts that may not have TIF expertise

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- **Process Basics:**
 - Larimer County maintains Fiscal Impact Model
 - Larimer County coordinates routine meetings of PRCs for each member municipality

- **PRC Membership:**
 - 1 member from municipality
 - 2 members from Larimer County
 - 1 member from school district
 - 1 member from special districts

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■ Process Basics:

1. Municipality informs Larimer County of project
2. Municipality provides overview of project to PRC

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|----------------------|-------------------------------|-----------------------------------|
| • Financing | • Development | • Blight Analysis |
| • “But-For” Analysis | • Financial Impact Mitigation | • Consideration of IGA Principles |
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1. PRC evaluates project based on Evaluation Criteria
2. PRC agrees on Fiscal Impact Model variables
3. Fiscal Impact Model Run
4. PRC issues recommendations
5. Parties negotiate

DRAFT INTERGOVERNMENTAL AGREEMENT

Where are we now?

- Meetings held January 31 and February 2 with Municipal Staff to provide overview
- Meeting March 2 with Estes Park Taxing District Staff
- Meeting March 5 with Taxing District Staff
- County Attorney working with Legal Contacts to refine the IGA
- Hope for Passage by Boards & Councils during April

QUESTIONS?

■ Thank you!