

RESOLUTION NO. 08-54

SERIES OF 2008

A RESOLUTION TO ADOPT COMMUNITY REVITALIZATION PUBLIC-PRIVATE
PARTNERSHIP GUIDELINES

WHEREAS, the Town of Avon desires to promote, encourage and stimulate private development and investment that realizes public benefits for the Avon community; and

WHEREAS, the Town believes that certain types of development and investment lead to positive economic growth, stabilization and achievement of Comprehensive and Area Plans goals as public benefits ; and

WHEREAS, the Town acknowledges that different areas of Avon offer varying degrees of opportunity for public-private partnerships to achieve these benefits through quality (re)development ; and

WHEREAS, the Town desires to provide greater partnership opportunities to meritorious projects in areas of Avon where market activity either has, or has the potential to, lag behind community needs and goals; and / or, raise standards of development and effectively ready the environment for catalyzing investment.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Town Council of the Town of Avon, Colorado, adopts the attached Community Revitalization Public-Private Partnership Guidelines.

ADOPTED AND PASSED, this 9th day of December, 2008.

TOWN OF AVON

By: _____

Ronald C. Wolfe
Mayor

ATTEST:

Patty McKenny
Town Clerk

COMMUNITY REVITALIZATION PUBLIC-PRIVATE PARTNERSHIP GUIDELINES

Town of Avon, Colorado

I. INTRODUCTION

The Town of Avon (“**Town**”) believes that certain types of investment in the Town lead to positive economic growth, stabilization and achievement of Comprehensive and Area Plans goals as public benefits. However, the Town also acknowledges that different areas of Avon offer varying degrees of opportunity for public-private partnerships to achieve these benefits through quality (re)development. Therefore, the Town has designed **these Guidelines** to: provide greater partnership opportunities to meritorious projects in areas of Avon where market activity either has, or has the potential to, lag behind community needs and goals; and / or, raise standards of development and effectively ready the environment for catalyzing investment. (See discussion of Catalyst Investment Areas.) To this end, and in accordance with the provisions and conditions of these Guidelines, the Town will, on a case-by-case basis, consider entering into public-private partnerships offering benefits and incentives for new development and redevelopment that advances the community’s vision in accordance with adopted Town Planning Documents (“**Town Planning Documents**”).

II. PURPOSE

The Town of Avon desires to promote, encourage and stimulate private development and investment that realizes public benefits for the Avon community which are defined in the Avon Municipal Code under Section 17.28.085. Such public benefits include, but are not limited to: achievement of goals set forth in Comprehensive and Area Plans, economic stabilization, enhancement and / or diversification, preservation of property values, provision of public amenities and / or facilities identified in adopted Town Planning Documents; and, promotion of self-sufficiency and sustainability on a community-wide basis. These Partnership Guidelines outline specific resources that might be made available to meritorious projects, as well as defines the process that will be used to evaluate project requests. Specific Guideline purpose statements include:

1. Provide guidance to the development and investment community to understand when incentives may be appropriate;
2. Establish an orderly public process for consideration and approval of incentives;
3. Provide short-term assistance for eligible projects that have verifiable financing gaps;
4. Promote the efficient use of incentives to maximize the public benefits to the Avon community;
5. Make available assistance for the minimum possible length of time;

6. Discourage the use of incentives when not necessary to realize the proposed public benefits or not appropriate as a matter of public policy; and,
7. Promote accountability to the general public in the use of public funds and resources.

It is the objective of these Guidelines that the Town's strategic investment of its resources improve Avon's entire portfolio of community assets and facilitate the development and redevelopment of projects that provide a public benefit that could not be realized without the Town's investment. Further, it is the Town's intent to manage the implementation of the Guidelines so that partnership benefits and incentives are fairly distributed across geographic and market sectors and appropriately applied based on the community vision. To that end, these Guidelines may be updated from time-to-time so as to remain consistent with adopted Town Planning Documents.

Note: Public-private partnerships are subject to approval by the Town Council. These Guidelines are not intended, and shall not create, any entitlement or right of any applicant to approval of an incentive.

III. DEFINITIONS

Capitalized terms used in these Guidelines, but not defined elsewhere, shall have the following meanings:

Applicant: An individual or entity proposing to advance a new development or redevelopment project for which they are requesting participation by the Town.

Business Recruitment / Retention: A program, frequently administered by an economic development entity, which assists with the recruitment or retention of business into or within a designated area. Program elements might include financial assistance, regulatory assistance, and / or marketing.

Capital Improvement Plan (CIP): Dollars earmarked for improvement and extension of infrastructure in municipalities.

Density Bonuses: Allowance for additional density in the form of increased units, building height, floor area ratios and / or maximum square footage in consideration of a public benefit. Note: This tool is sometimes used with the Transfer of Development Rights (TDR) tool which allows a property owner to transfer density rights from one parcel to another within a specific geographic area.

Development Fee Waivers: A program intended to reduce development costs by waiving or deferring various fees and charges associated with a development project, i.e. tap fees, building permit fees, processing fees, etc.

General Obligation Bonds: Bonds secured by the general taxing authority of the Town. In Colorado, the issuance of general obligation bonds requires approval by the general electorate of the Town.

Improvement District: Both an organizing and financing technique for area revitalization. Improvement districts provide a stable stream of income for activities and projects considered special to an area or in addition to general municipal services. Improvement districts are a vehicle for providing additional services for a fee and should not be considered a substitute for services funded through traditional tax revenues.

Infrastructure Cost Participation: The sharing of infrastructure costs (either on-site or off-site) by developers and / or property owners with an entity (public, private, or semi-private) which will benefit from its availability.

Land Assembly: Land assembled by public, private or non-profit entities in an effort to position it for development of larger projects. Assemblies can happen through purchases of properties, vacations and / or the rerouting of streets, alleys, etc.

Land Donation / Write-Down: The contribution of land to a project by a property owner either as a donation without an expected return, or at a reduced price.

Land Swap: The offer of an exchange of town-owned land for land of similar value in an alternative location in order to develop specific infill sites in a specified manner.

Loan Pool (Lending Pools): Several lending organizations contributing financing to a project or projects, thus sharing risk. An amount of capital pledged by several entities for lending to businesses based on some agreed upon goals or other criteria. Pledges can be in the form of loans, letters of commitment and stock purchases. Pools can be either organized formally or on a case-by-case basis.

Parking District: Designated area wherein parking design, development and management issues among multiple facilities beyond that provided for by standard municipal levels of service are controlled by a select entity.

Pedestrian Enhancements and Linkages: Various public, private and non-profit initiatives to improve the pedestrian environment in a designated area, i.e., permanent and temporary streetscape elements, sidewalk widening, reduced speeds, etc. The resulting environment is designed to accommodate the needs of pedestrians, as well as through- and destination-traffic, by incorporating select infrastructure improvements, design elements, and traffic management mechanisms. Methods to achieving this include: separating traffic through the use of parallel streets; limiting access points; linking parking lots; coordinating traffic signals; adding alternative transportation lanes; widening sidewalks; providing crosswalks, street lights and furniture; preventing “deadening” uses without building fronts; and, incorporating transit stops.

Predevelopment Funding Grants: Financing for project expenses incurred prior to construction, i.e., soft costs including consulting, design, engineering, planning, marketing, etc.

Public Subordination: Town guarantee to a lending institution that, in the event of default, debt service will be paid.

Redevelopment: The reconstruction or improvement of an area within an existing built-environment.

Revenue Bonds: Bonds secured by, and by which may be issued and amortized from, the anticipated revenue which results from the improvement that was funded.

Revenue Sharing: An incentive program by which certain anticipated future revenues from a development can be shared, rebated or refunded to the developer to assist in paying for infrastructure.

Streamlined Development Approval: Initiatives by government entities to facilitate a timely approval process for (re)development projects meeting certain criteria. Also referred to as a “green-tape” permitting program. Critical elements of these types of programs include: 1) streamlined permitting and entitlement process; 2) greater predictability; and, 3) fairness in fees and exactions. Example components might include: 1) an appointed case manager; 2) a consolidated permitting process; 3) waived or reduced fees; 4) a single public hearing; and, 5) a streamlined environmental review process.

Streetscape: Improvements to streets that enhance pedestrian activity. Streetscape enhancements may include: special paving, trees, planters, kiosks, fountains, plazas, benches, bicycle racks, vehicular and pedestrian lighting, and other public space amenities deemed desirable by the Town.

Tax Exempt Bond Financing: Method of financing long-term debt issued by the government whereby bondholders need not include interest payments on taxable income.

Tax Increment Financing (TIF): A financing concept whereby increases in property and sales tax revenues that arise from new development over and above a designated revenue base are pledged to finance the debt services of a bond issue, or may be used to finance redevelopment activities.

Town Planning Documents: All documents adopted through the public hearing process by the Town Council after review by the Planning Commission, including but not limited to the West Town Center Investment Plan, the Town Center West Area Urban Renewal Plan, the Avon East Town Center District Plan, and the Town of Avon Comprehensive Plan.

Transfer of Development Rights (TDR): Ability to transfer property entitlements from one property to another when one of the parcels is located in a designated development area.

Urban Renewal: Tool used for the purpose of eliminating slum or blighted areas within a municipality, and positioning properties for development or redevelopment. Actions under urban renewal can include tax increment financing, demolition of structures; construction of infrastructure and public spaces; sale of property; and, relocation of businesses and residents.

IV. INCENTIVES

The incentives offered under these Guidelines are not intended to replace other project financing from private or public sources. Rather, they are intended to be supplemental and flexible resources that spur worthy projects by bridging funding gaps which may be created by the difficult and sometimes costly nature of such purposeful developments. The primary incentive programs available include:

Financial Incentives:

- Urban Renewal (Tax Increment Financing)
- Infrastructure Cost Participation
- Operating and Maintenance Costs
- Revenue Sharing
- Fee Waivers
- Tax Exempt Bond Financing
- Local Grants
- Low Interest Loans
- Federal and State Grants

Non-Financial Incentives:

- Land Transactions
- Pedestrian Enhancements and Linkages
- Predevelopment Due Diligence
- Special Districts
- Parking Districts
- Loan Pool Facilitation
- Business Relocation / Retention Assistance
- Development Approval Facilitation
- Project Participation

Detailed descriptions of those tools which will likely be most frequently requested and provided are presented below with the balance defined in the Appendix section of these Guidelines.

Urban Renewal (TIF)

Purpose of Incentive

Tax Increment Financing (TIF) is a tool authorized under Colorado State statute by which local governments can publicly finance the rehabilitation

or demolition of existing structures, construct or install new streets, utilities, open space and other improvements that serve a public purpose. Expenditures are made within a defined area called an urban renewal area. The tax increment is derived from the difference in appraised value between the year in which the area and TIF was formally established by Council (base year) and each year is in existence, for a period not to exceed 25 years. The increment is generated by real property taxes resulting from new construction and increases in market values due to public improvements and redevelopment efforts.

Project Use

- The Town will consult with property owners within a designated area to ensure that TIF is awarded to meritorious projects. Note: If not otherwise in existence this would be accomplished through creation of an urban renewal area and plan where the project is located.
- The Town may provide a rebate to the developer of the property tax increment or pledge the increment as payment of principal and interest on bonds issued to fund the improvements. The Town may also elect to retain tax increment to meet operating or other demands within the TIF area.
- The percent of TIF revenue made available to projects will be negotiated on a case-by-case basis and considered relative to those factors described in these Guidelines' guiding principles.

Limitations

TIF can only be used on expenses that provide a public benefit. Eligible project costs include: capital costs, financing costs, real property assembly costs, professional service costs for public improvements, imputed administrative costs, relocation costs, organizational costs, interest before and during construction, and costs associated with operating the urban renewal area and project facilities.

Infrastructure Cost Participation

Purpose of Incentive

The Town may elect to participate, either through a formal program or on a case-by-case basis, in the cost of construction and / or maintenance of infrastructure that will benefit multiple projects and properties.

Project Use

- The Town will work with the developer and / or property owner to identify all on-site and off-site capital improvements necessary to service and / or support the project.

- Where dollars have already been earmarked (i.e., in the Town Capital Improvement Plan) or quantified; and public expenditures are eminent, the Town may elect to contribute these dollars to the project.
- Where dollars have not been earmarked, but improvements are considered to benefit from the project and area, the Town may still elect to contribute dollars to the project.
- The Town will consider the quality of materials and their consistency with prevailing policies, standards and regulations. In instances where the Town desires to raise standards of design and / or development, it may elect to participate in the cost of delivering these improvements.

Limitations

As identified through policies of the Town Council.

Operating & Maintenance Costs

See discussion under **Pedestrian and Roadway Enhancements and Linkages.**

Revenue Sharing

Purpose of the Incentive

Revenue sharing is a tool by which certain anticipated future revenues from a development may be shared, rebated or refunded to assist in paying for infrastructure costs, business start-up or relocation, or assisting a development towards stabilization as expeditiously as possible.

Project Use

The Town will consider applications for revenue sharing that meet the eligibility requirements set forth in these Guidelines and that are compliant with relevant restrictions stated in the Avon Home Rule Charter. In addition, the Town requires that the source of the revenue to be shared match with the use of the shared revenue.

Limitations

As identified through the Avon Home Rule Charter.

Fee Waivers

Purpose of Incentive

The purpose of this incentive is to encourage investment by waiving or delaying development fees until the developer expects a positive cash flow.

Project Use

The Town may waive or delay project-related development fees on a case-by-case basis for meritorious projects.

Limitations

Developers will need to negotiate with the Town a specific threshold (to be determined) that they can demonstrate in order to be eligible for waivers or delays.

Land Transactions

Purpose of Incentive

The purpose of this incentive is to assist developers with land acquisition and assemblage for meritorious projects in targeted investment areas.

Project Use

See Section 18.3 of the Avon Home Rule Charter for limitations on the use of this tool.

Limitations

As identified through policies of the Town Council.

Pedestrian and Roadway Enhancements and Linkages

Purpose of Incentive

It is the Town's intent (and past practice) to encourage pedestrian connections, access to multiple modes of transportation and linkages among activity areas both within the Town's economic core and surrounding neighborhoods. To this end, the Town may participate in projects that advance this objective in the form of expending capital for infrastructure and maintenance of public improvements. In the context of the catalyst areas, public improvements are considered to encompass streetscape and roadway improvements that encourage pedestrian and transit access, as well as public space amenities.

Project Use

The Town may use CIP, bond and / or general funds for redevelopment within the catalyst areas to leverage grants and private funding sources. Grant programs are often administered by the Federal Highway Administration, the Federal Transit Administration, and the Colorado Department of Transportation. The Town's goal is to use funds to leverage

private dollars, yielding investment for streetscape improvements in the near-term.

Limitations

The Town will identify and evaluate projects as grant and/or other funds become available. Projects will be selected according to the criteria established by the grant program and any additional criteria that further the goals of these Guidelines and other adopted plans and policies. These criteria may include, but are not limited to, the following:

- Consistency of proposed improvements with the purpose of the grant program
- Equitable distribution of funds among the catalyst areas (over time)
- Ratio of private investment to public investment

Limitations

In order for the Town to expend funds, resources must be in support of a catalyst project that advances the vision for that area.

Predevelopment Due Diligence

Purpose of Incentive

The purpose of this incentive is to provide property owners and developers with market, financial, design, engineering and other related information in an effort to both educate them about opportunities, as well as save them pre-development dollars.

Project Use

- The Town will establish an electronic “library” of studies and reports solicited by, and shared with, the Town in the context of development and investment projects in targeted areas.
- As these studies and reports are made available, they will be submitted to the library for use by the private sector.
- The Town may also elect to dedicate staff or retain the services of consultants and other professionals at no cost to the developer in an effort to save them pre-development dollars, while ground-truthing project feasibility.

Limitations

As identified through policies of the Town Council.

Special Districts and Improvement Districts

Purpose of Incentive

Special districts are special-purpose units of local government created to provide a service or services to a specific group of constituents. Assessed taxes are exclusively property taxes. Improvement districts allow a municipality to levy and collect special assessments on property that is within the Town or the Town's extraterritorial jurisdiction (ETJ) to be used in the district. The assessment can be used to fund things including streetscape, infrastructure, security, parks, recreation, parking and other public improvements.

Project Use

See Section 18.01 Establishment of Special Districts of the Town Municipal Code.

Limitations

As improvement districts are enacted, primarily to raise money for the provision of certain services or improvements, eligible projects which require the revenue of a special district must serve a public purpose.

Development Approval Facilitation (Streamlining)

Purpose of Incentive

The Town's organizational structure is expressly designed to allow for interdepartmental coordination for development projects. Its mission is to focus on and provide assistance to priority projects that are eligible as defined under these Guidelines. Through staff project facilitation, the Town will attempt to resolve questions that arise through a main point of contact who will then work with other departments as necessary, in order to facilitate a streamlined process for projects in pre-development.

Project Use

- Town staff representatives on the team will host a pre-development conference to address construction, platting, zoning and permitting issues.
- A project manager from the Town will be assigned to serve as the primary contact for addressing internal problems and issues related to the project.
- Key staff will continue to facilitate issues that arise and eventually serve as advocates for projects between departments and with Town Council, assisting with formal presentations and soliciting timing guarantees.

Limitations

This service applies to projects which meet the catalyst project criteria as outlined in these Guidelines.

V. CATALYST INVESTMENT AREAS

Town Council has identified geographic areas of Avon within which to target its incentives. The Town acknowledges that different geographic areas face varying degrees of challenges in attracting private sector capital for development consistent with the community's goals and objectives. While projects outside these areas might prove worthy, the Town has specifically targeted its incentives to provide greater assistance to catalyst projects in areas of Avon where market support has either lagged behind community needs and goals, or where economic conditions are fragile or susceptible to market forces.

These Guidelines define catalyst investment areas as follows:

"A catalyst investment area is an 'urbanized' place that has a concentration of jobs, housing units, commercial uses, public spaces, public transportation, and / or pedestrian activity and a sense of place. These areas are frequently located at significant activity nodes. Predominant land uses are commercial, non-commercial and public. Within these relatively compact geographic areas, different land uses are found side by side or within the same structures. The mix of uses are often located in developments with minimal setbacks, reduced parking requirements and taller structures, all in an effort to achieve higher densities necessary to support multiple nodes of transportation and pedestrian activity (where relevant), private investment and a sense of place.

These areas are catalysts for public and private investment and economic activity, effectively building off the strengths of the surrounding area and connecting to surrounding uses. Implementation and management of catalyst areas is generally the responsibility of a combination of entities including business organizations, special districts, neighborhood and other interest groups, and individual property owners."

What follows is a description of the vision for each of the Town identified catalyst investment areas as expressed in the supporting Town Planning Document. Projects outside these areas should address a significant public benefit, as well as show evidence of a market opportunity and/or development project with potential in the near-or long term.

West Town Center Investment Plan

The West Town Center Investment Plan was adopted in August 2007. The stated vision for West Town Center in the plan is taken from the Town of Avon Comprehensive Plan. Specifically, "The West Town Center District will serve as the heart of the community. 'Social, cultural, intellectual, political, and recreational gatherings occur in this district. In addition, the district acts as the

common ground between the full-time residents, part-time residents and destination guests through diverse retail and entertainment opportunities. The West Town Center District will be an intensely developed mixed-use, pedestrian-oriented area that serves as the primary focus for residential and lodging development within the overall Town Center.”

Town Center West Area Urban Renewal Plan

The Town Center West Area Urban Renewal Plan was adopted in August 2007. The vision expressed in the plan states that revitalization of the Town Center West Area is the creation of high quality commercial and mixed-use developments which integrate a range of non-residential uses with residential uses (vertically integrated) where appropriate, as well as property improvements, supported by strategic public investment in infrastructure (including utilities) and parking within and adjacent to the Area boundaries. Development within the Town Center West Area is positioned to serve as the catalyst for change in this commercial core of the Town. The combination of uses will further promote development and redevelopment of the entire Town Center District as an urban “neighborhood” with retail, business, lodging, residential, civic, cultural and public elements while physically connecting existing uses and improving circulation among multiple forms of transportation. “

Avon East Town Center District Plan

The Avon East Town Center District Plan was adopted in May 2008. The stated vision of the plan for the Avon East Town Center District is “to make the most of redevelopment opportunities by considering the needs and desires of the community, establishing a cohesive mix of uses, including retail, office and residential; planning for public gathering spaces; and creating strong pedestrian and street connections.” Additionally, “the East Town Center District will be a jewel of the community, a complement to the West Town Center District, and a source of pride for the residents and business owners.” Specific investments that will be encouraged include: residential units, pedestrian enhancements, branding elements, vibrant nodes of activity, parking, entertainment uses, roadway and public transportation improvements, diversity and economic sustainability in all of these components.

Town of Avon Comprehensive Plan

A general plan for the Town known as the Town of Avon Comprehensive Plan was adopted in February 2006. The plan specifically states, “In order for Avon to realize its vision and its associated community goals and objectives, the key challenge facing Avon is to enhance its Town Center Districts.” Additionally, it says, “The Town Center Districts (East and West) are intended to be Avon’s focal point for social, business and cultural activities. Specifically, the Town Center Districts are anticipated to provide mixed-use development of the highest intensity within the community supported by an exceptional pedestrian-oriented environment including comfortable spaces, exceptional views, and intimate gathering places.”

VI. REVIEW CRITERIA

The Town's decision to invest in a project will be based on several important findings, not the least of which include:

- number and type of public benefit elements (direct or indirect);
- potential of the project to succeed;
- demonstrable financial need; and,
- evidence that the project accomplishes the goals of the community as specified in the Town of Avon Comprehensive Plan, Avon West Town Center District Investment Plan, Avon East Town Center District Master Plan, and all other Council-approved community plans related to the growth and development of the Town (see Catalyst Project Investment Areas).

Project applications will be reviewed relative to the following Review Criteria:

1. The Application is complete;
2. The **Applicant's ("Applicant")** proposal advances the vision, goals and objectives of a Town Planning Document (i.e., transit-supportive development, employee housing, etc.);
3. The Applicant's proposal provides a public benefit that would not be provided without the incentive;
4. The Applicant's proposal promotes one or more purposes of these Guidelines;
5. The requested incentive is in proportion to the proposed public benefit;
6. The requested incentive and project will not increase Town impacts more than the projected increased benefits;
7. The requested incentive and project allows the Town and Applicant to leverage grant funding from other sources (optional); and
8. The proposal includes a practical method of demonstrating the effectiveness and success of the incentive.

In order to be considered for Town incentives, a project falling within a catalyst investment area must advance and exceed stated community goals and the application must positively address the above criteria. A project that has the potential to advance stated community goals, yet located outside a preference area, may also be considered for Town incentives, but will be expected to undergo a greater level of scrutiny to ensure that it is consistent with the objectives presented herein.

VII. APPLICATION PROCESS AND DECISION

In order to have a project request considered for participation by the Town of Avon, Applicants must complete the attached forms and submit the completed forms to the designated Town representative. Once the (above) criteria are considered to be satisfactorily addressed, Town staff will work with the

Applicant to further analyze specific details about the project's financial need and other factors as warranted. The financial need of the project will be determined based upon the nature and extent of the "gap" between the total project costs and amount of private investment to cover those costs, assuming a market-average rate of return on the private investment. Based upon this information, Town staff will then determine the extent of the Town's potential participation (including specific incentives) in the project. The level of Town participation will be dependent, in part, on the fiscal impact of the project to the Town and expected private investment leverage resulting from its participation. Another factor will include the extent of public benefit the project provides. The map presented in the Appendix section of these Guidelines illustrates the Town's target areas for catalyst private investment. Final documentation for meritorious projects will be packaged along with Town staff recommendations for final review and consideration by Town Council. Together, the Town representative and Applicant will then present the project concept and request to Town Council for consideration. In select instances, Town Council may decide to refer the project and application to Planning and Zoning Commission for a recommendation.

Note: Private financial information provided in conjunction with the project submittal will be reviewed in confidence by the Town Manager, Town Finance Director, and one representative from Town Council. All matters related to this confidential private financial information will be considered in executive session if deemed necessary and appropriate.

VIII. BENCHMARKING THE MARKET

The ability of the Guidelines to successfully marry market opportunity with market investment will hinge upon continual feedback to the Town by representatives of the real estate and business investment markets and incentive recipients. Therefore, the Town has an expectation of investment partners to provide information on the performance of projects during start-up and through stabilization¹. The receipt of project information beyond the period during which the Town participates will be appreciated, but not required. Access by the Town to this information will assist in staying current on market conditions and expectations among different geographic and market sectors, as well as provide the basis for refinements to the Guidelines and the Town's decision-making parameters for participation in future projects.

¹ The total value of the incentives will only be available at a level not to exceed the incremental dollars generated by the planned investment as determined by the Town through regular review of the project's performance (open books). Select information will be kept confidential from the general public.

Appendix

Tax Exempt Bond Financing

Purpose of Incentive

The purpose of this incentive is to provide long-term financing for select economic development projects. Bonds are issued by the Town and exempt from state and local taxes.

Project Use

Bond revenue can be used for specific purposes, as determined by the bond documentation, including right-of-way improvements (public and private), parking, streetscape, infrastructure, as well as land acquisition. The Town may provide support to projects that meet the Town's bond documentation criteria for funding. The funds will be available in the form of 1) loans, 2) loan guarantees, 3) equity investments, and / or subordinated debt for construction, or, 4) permanent financing.

Bond revenue may also be available to projects located in an urban renewal area. Criteria for funding within an urban renewal area are defined in the urban renewal plan for that area.

Limitations

Limitations will be largely dictated by the rules and regulations associated with the bond issuance and the terms and conditions that the Town may ask developers to pledge when issuing the bonds.

Private Activity Bonds

Private activity bonds are designed to provide taxable and tax-exempt bond financing primarily for local improvement projects. Private Activity Bonds (PAB) are bonds that can be issued for specific purposes, as determined by federal tax law. PABs are not a direct source of funding, but rather a tax- financing mechanism.

Local Grants

Purpose of Incentive

The purpose of local grants is to reimburse private developers for the range of expenses which may contribute to a financing gap yielding projects financially infeasible. To this end, the Town will also be sensitive to the taxable implications these grants may have for the developer and where possible, use transfer mechanisms (i.e., soft loans, accrual notes, etc.) which result in a favorable financial impact.

Limitations

This incentive is often used as a gap-financing tool of last resort. The use of this incentive is for projects facing extraordinary impediments to development and offering significant positive impact to the community and the surrounding area where the project is located. Limitations on how this incentive is used are predicated on the source of the funds and terms and conditions of the award to the Town and the project.

Low Interest Loans

Purpose of Incentive

The purpose of this incentive is to provide funds to developers at a lower rate of interest compared to conventional loans. This incentive effectively reduces the financial gap of a project, thereby enhancing its financial feasibility.

Project Use

The Town may facilitate the provision of this type of support to development projects that meet the Town's criteria for funding. Loans can be used to support commercial, residential or mixed-use development projects, for both rehabilitation and new construction related expenses. Types of loans available include predevelopment, interim financing and bridge.

The program can be expanded to include a set-aside for façade improvements in targeted areas.

Limitations

Limitations will be largely dictated by the rules and regulations associated with the funding source and the terms and conditions of the specific award.

Federal and State Grants

Purpose of Incentive

The fundamental premise of the Town's partnership Guidelines is to catalyze investment and reinvestment in targeted areas. Whereas experience has proven that "catalyst projects" serve to prove to private sector investment markets that demand for community-beneficial developments exists; they set a positive precedent for future development. Given the importance of supporting catalyst projects in priority areas, the Town may, at its sole discretion, elect to compete for federal or state grants to support deserving real estate development projects.

Project Use

If awarded, the Town may provide this type of support to projects in an effort to close a demonstrable funding “gap.” Use of the funds will be contingent on the project’s ability to advance key community goals including sustainable development principals, as well as the guiding principals of these Guidelines. Grant funding is generally used for infrastructure improvements, environmental remediation, pedestrian and streetscape enhancements in the public right-of-way, and other costs as appropriate to the funding source. However, they may also be used for a range of economic development initiatives including business retention, relocation and expansion initiatives.

Limitations

Limitations on how this incentive may be used are often predicated on the source of the funds and terms and conditions of the award to the Town and the project.

Town Council will determine which projects they will submit for competition. Submittal is not a guarantee of Town funding and Town participation will be contingent upon award of grants.

Parking Districts

Purpose of Incentive

A parking district is a designated area wherein parking design, development and management issues, beyond those provided for by standard municipal levels of service, are controlled by a select entity. The purpose of this incentive is to allow property and business owners to share in the cost of infrastructure and services in an effort to stabilize and distinguish a business and/or neighborhood district, and thereby potentially improve its market position.

Project Use

- In order for a parking district to be established, 51% of the property owners must submit a petition request.
- Upon creation of the district, property owners will be assessed an additional fee to fund improvement projects within its area.
- The district can then pledge the assessment revenue as payment of principal and interest on bonds issued to fund public improvements which benefit projects within it.

Limitations

As improvement districts are enacted primarily to raise money for the provision of certain services or improvements, eligible projects which require the revenue of a special district must serve a public purpose.

Loan Pools

Purpose of Incentive

The purpose of this incentive is to spread risk across multiple funding entities. Pools can be assembled with private, public and semi-public dollars. An obvious resource can be Community Reinvestment Act (CRA) dollars, managed by private lending entities that are required to be invested directly in the community. Commitments can take the form of loans, letters of commitment and stock purchases. Loan pools may also include program partnerships.

Project Use

- The Town will facilitate discussions with various local and regional lending entities (public, public, and semi-private) to identify set-asides for a loan pool to be used by credible borrowers for the development of projects in targeted areas.
- The Town may consider subordinating the loan pool fund, if necessary.

Limitations

Limitations will be largely dictated by the rules and regulations associated with the funding sources and terms and conditions of the specific award.

Project Participation

Purpose of Incentive

The purpose of this incentive is to offer public sector support to projects in an indirect way, as an alternative to direct financial participation.

Project Use

- The Town will consider taking space (relocating a department) in a newly developed or redeveloped commercial project.
- If their CIP plan includes the expansion of public facilities or spaces, the Town may consider doing this in cooperation with the developer. (See Pedestrian Enhancements and Linkages.)

- The Town may provide the services of one of their departments or affiliates (Chamber, Tourism, Economic Development) to either the developer or tenants in the development to advance the success of the project or their individual business.

Limitations

As identified through policies of the Town Council.

Business Relocation / Retention Assistance

Purpose of Incentive

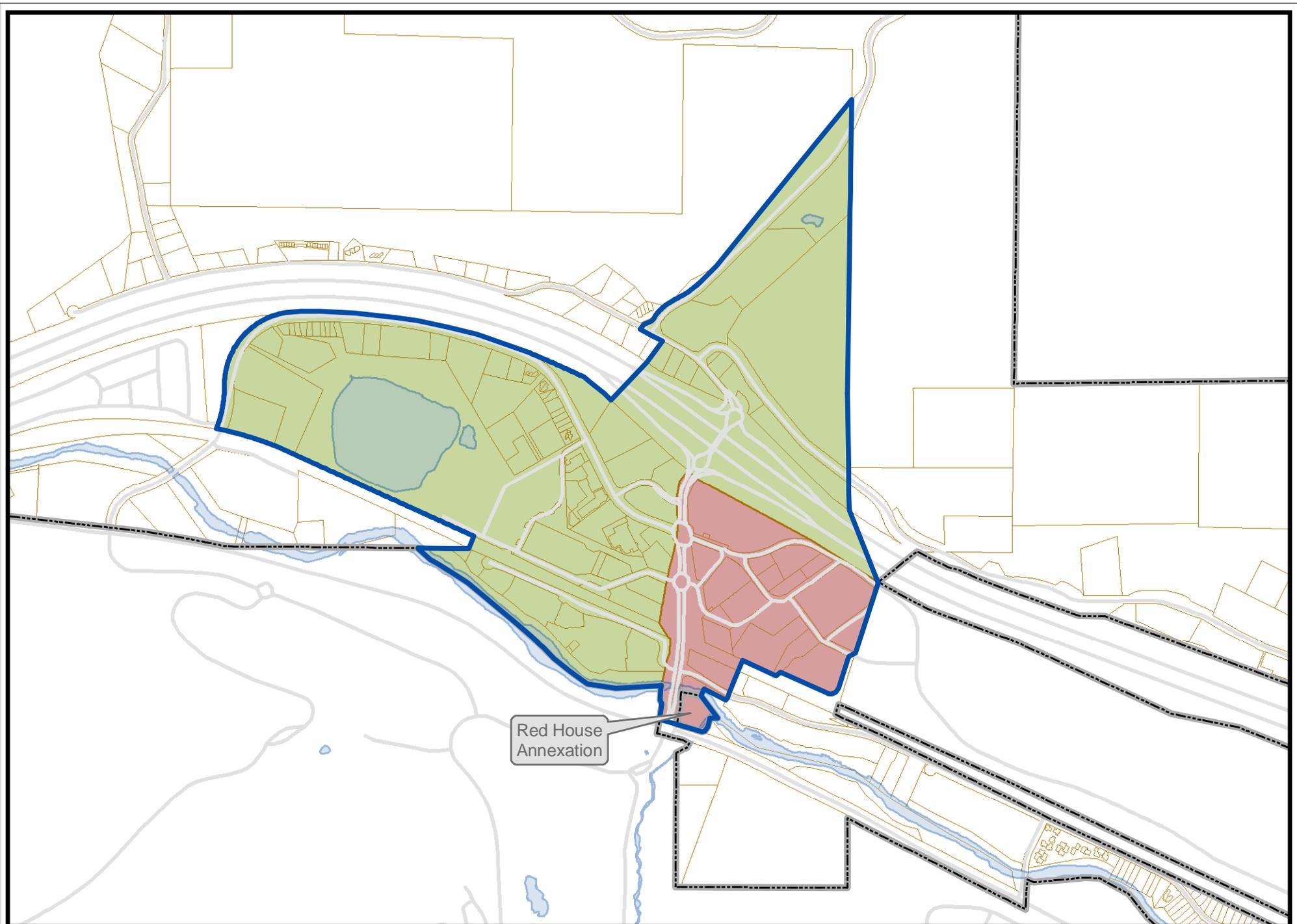
The purpose of this incentive is to assist existing businesses with their expansion, retention and relocation needs. Costs associated with relocation are an acceptable expense within an urban renewal area. However, projects not located within an urban renewal area may be required to buy-out leases (at a minimum) and possibly cover relocation expenses in an effort to advance (re)development projects in infill areas. In addition to providing dollars for actual expenses, the Town may partner with various economic development entities to assist with marketing and disruptions in operations.

Project Use

- The Town may identify and/or retain someone to serve as a point-person for relocation inquiries.
- Within existing urban renewal areas, the Town will make sure that a relocation plan with specific provisions is in place.
- The Town may preemptively solicit the participation of a range of economic development partners to assist the Town in their redevelopment goals and objectives.

Limitations

As identified through policies of the Town Council and any other participating entities.

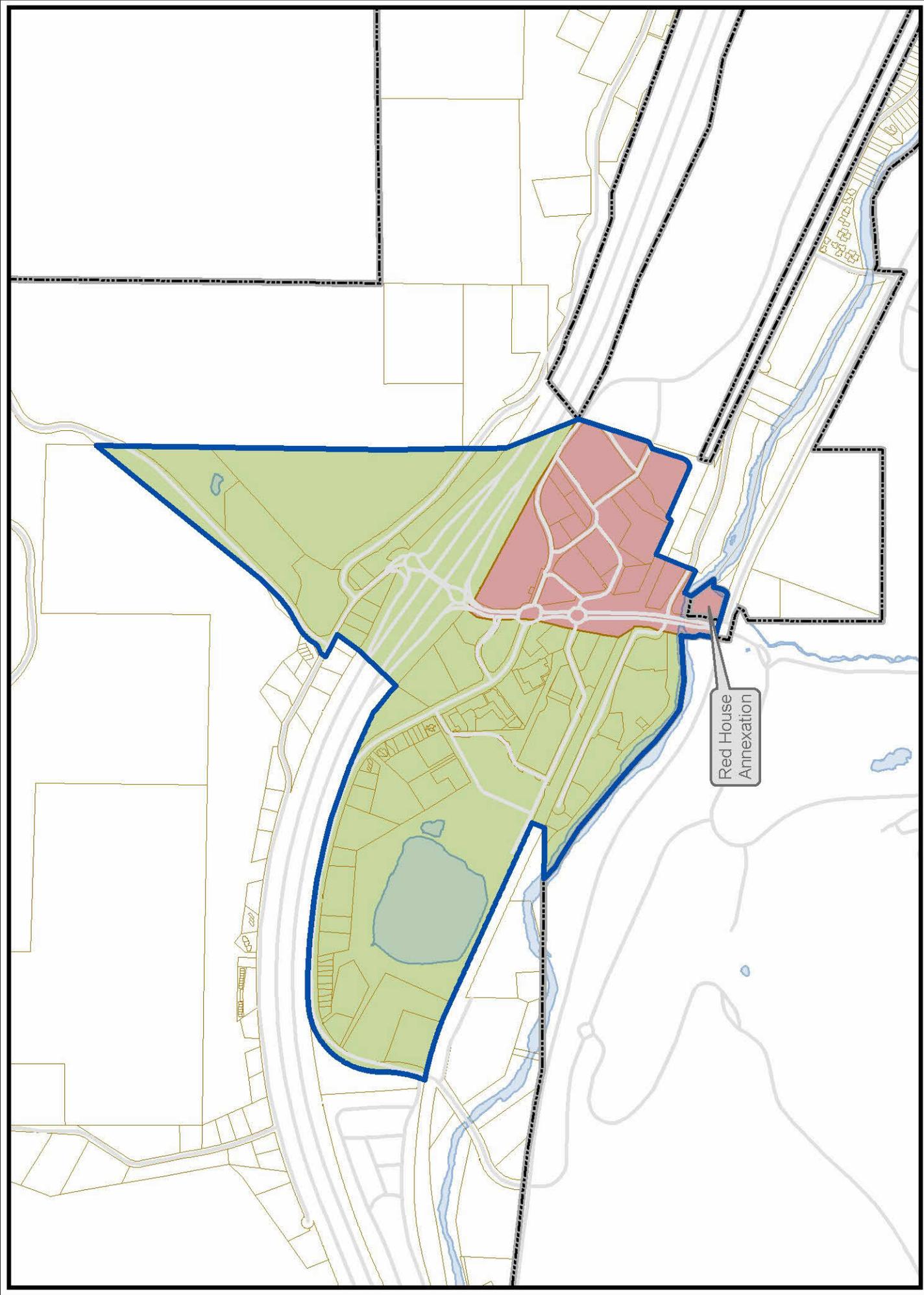


Town of Avon Revitalization Strategy
 Urban Renewal Area and Catalyst Investment Area

- East Town Center Catalyst Investment Area
- Town of Avon Urban Renewal Area
- Catalyst Investment Area
- Roads
- Town of Avon Boundary



This map was produced by the Community Development Department. Use of this map should not be construed as an official statement of the Town of Avon. Date: 10/20/20



Town of Avon Revitalization Strategy

Urban Renewal Area and Catalyst Investment Area

- East Town Center Catalyst Investment Area
- Town of Avon Urban Renewal Area
- Catalyst Investment Area
- Roads
- Town of Avon Boundary



AVON, OHIO 43004
 614.265.1000
 www.avonohio.gov

Funding Request Form:

Development Concept Proposal

Date: _____

Name: _____

Company: _____

Project Name: _____

Ph #: _____

Reference: _____

Applicant shall submit a conceptual design proposal consisting of the following elements:

1. Narrative Description of Development Concept: Provide a narrative description of the development objectives: size, nature and location of the proposed land uses, urban design and architecture. Include specific statements indicating how the Development Concept advances the goals of the Town and any relevant Policy or Vision Documents, specifically its ability to provide a public benefit.
2. Conceptual Design: Applicant shall submit a Conceptual Design and state (illustrate) any aspect of the design that does not conform to applicable Town of Avon, Colorado codes and standards. The Conceptual Design shall consist of drawings (elevations and perspectives optional). Additional descriptions of color, material and size of structures, and landscaping will be appreciated.
3. Project Fact Sheet: The Applicant shall provide a project fact sheet indicating the following data and information (as applicable):
 - a. Gross Building Area:
 - b. Housing (Number of Units and Type):
 - c. Restaurant Space (SF):
 - d. Office Space (SF):
 - e. Retail Space (SF):
 - f. Parking Requirements:
 - g. Building Height:
 - h. Floor Area Ratio:

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Funding Request Form (cont'd):

Development Concept Proposal

Date: _____

Name: _____

Company: _____

Project Name: _____

Ph #: _____

Reference: _____

The Applicant shall provide information in the form of a Preliminary Summary Pro Forma to indicate the economic basis for the request. The purpose of this information is to demonstrate the economic feasibility of the proposed development and shall be in such detail necessary to illustrate such feasibility including all major assumptions concerning costs, income and any economic "gap."

Project Cost:

Land and Parking Cost:	
Land, xx square feet @ xx:	\$ _____
Parking Costs, xx spaces @\$xx:	\$ _____
Total Land and Parking Costs:	\$ _____
Building Costs (including soft costs and contingency):	\$ _____
Operating Start-Up Costs:	\$ _____
Financing and Carrying Costs:	\$ _____
Total Project Cost:	\$ _____

Project Operating Results, Stabilized Year (rental project):

Number of Rentable Square Feet @ xx% Efficiency:	
Scheduled Gross Rent @ \$xx	\$ _____
Less Vacancy and Credit Loss, xx%:	\$ _____
Effective Gross Income:	\$ _____

Confidential

Funding Request Form (cont'd):

Development Concept Proposal

Date: _____

Name: _____

Company: _____

Project Name: _____

Ph #: _____

Reference: _____

Less Operating Costs, xx%	\$	_____
Real Estate Tax @ xx% Facility Cost:		_____
Net Operating Income:	\$	_____
Operating Income as a Percentage of Project Cost:		xx%
Difference in Value and Cost:	\$	_____

Notes:

1. Building pad sites are available for sale or long-term lease. The asking sale price is \$xx per square foot; the asking long-term lease rate is \$xx per square foot per year.
2. Parking costs reflect private sector contribution to parking construction.
3. The number of required parking spaces will vary depending upon the mix of land uses proposed.
4. Operating costs should include a fee to be charged for maintenance of common areas. This Common Area Maintenance (CAM) fee is estimated to range between \$xx and \$xx per square foot of gross building area.
5. As shown on the enclosed site map, portions of the common areas, e.g. patio area, will be made available for lease by building owners and /or tenants.

Funding Request Form (cont'd):

Development Concept Proposal

Date: _____

Name: _____

Company: _____

Project Name: _____

Ph #: _____

Reference: _____

Applicant shall provide an estimated timeframe for the following items (where available):

1. Initial purchasing and due diligence period:
2. Additional period for pre-leasing and due diligence, upon request from and showing of need and progress by the Applicant:
3. Completion and submission to Town of final construction plans for development:
4. Completion and submission of construction financing commitment for development:
5. Satisfaction of the conditions contained within construction loan commitment:
6. Commencement of development of project:
7. Completion of construction of project:

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Request Evaluation Form:

Date: _____

Reviewer: _____

Request Agent: _____

Rating = Poor, Fair, Good, Excellent

Evaluation Criteria	Rating	Comments
<p>Disciplines of Firm / Team</p> <p><i>(comprehensive, experience working together, unique / beneficial relationships)</i></p>		
<p>Project Management Office</p> <p><i>(location – local or out-of-state, staffing capacity, reputation)</i></p>		
<p>History, Size, Depth of Firm</p> <p><i>(length of time in business, orientation of clients or projects – change over time, perceived as having a niche, infill vs. suburban experience)</i></p>		
<p>Implied Understanding of Vision</p> <p><i>(articulated vision and partnership roles)</i></p>		
<p>Experience w/ Public-Private Partnerships</p> <p><i>(number, infill vs. suburban, project types, complexity of financing)</i></p>		

Request Evaluation Form (cont'd):

Request Agent _____

<p>Quality of Proposed Concept</p> <p><i>(consistency with vision and goals expressed in Town Plans and documents, complimentary integration)</i></p>		
<p>Terms of Proposed Partnership</p>		
<p>Ability to Expand Tax Base</p>		
<p>Potential Community Benefit Impacts</p>		
<p>Project Experience</p> <p><i>(similarity with advancing community goals, infill vs. suburban, public sector role (if any), design quality)</i></p>		
<p>Clarity of Roles & Responsibilities</p> <p><i>(expectations, description, % of effort)</i></p>		
<p>Professional References</p> <p><i>(see form)</i></p>		
<p>General Impressions</p> <p><i>(appearance, communication with Town, expressed desire)</i></p>		

Reference Check Questionnaire:

Date: _____

Name: _____

Company: _____

Ph #: _____

Reference For: _____

1. When did you work with the ["Request Agent"]?
2. Can you describe the project they developed / participated in?
3. Was their concept similar to their other projects or was it customized to reflect your vision?
4. Who was the project manager?
5. Did you issue a request for proposals or did you sole-source to this firm or individual?
6. Had you heard of them before (if they responded to a request)?

Reference Check Questionnaire (cont'd):

Date: _____

Name: _____

Company: _____

Ph #: _____

Reference For: _____

7. In your consideration process, why did you end up selecting ["Applicant/Team"]; what was it about them that caused you to conclude that they were the "right fit" for you and your community?

8. If a public sector reference, did the financing for your project involve public dollars (incentives)? How creative and/or flexible were they with these resources?

9. If a public sector reference, how well did they understand your need for a quantifiable return on your investment?

10. Knowing what you know now, would you select them again?

11. What firms comprised the team that worked with ["Applicant"], (if any)? Had they worked together before? (Were they the same group that submitted this request?)

12. We would like to understand how well you felt that ["Applicant/Team"] performed for you. Please tell us how you would rate them in each of the following dimensions on a 1 - 10 scale (with 1 representing Poor, 5 representing Average and 10 representing Outstanding)

Reference Check Questionnaire (cont'd):

Date: _____

Name: _____

Company: _____

Ph #: _____

Reference For: _____

13. In retrospect, what would you do differently to have had a more productive / profitable experience with ["Applicant"]? (How can we learn from your experience?)

14. Any other comments you wish to make.

Confidential Statement of Financial Capability:

Date: _____

Reviewer: _____

Request Agent: _____

(For confidential official use of the Town of Avon, Colorado and / or its agents)

1. a. Name of Offerer:
b. Address:
2. The Land which the Offerer proposed to redevelop is described as follows:
3. The financial condition of the Offerer, as of (date), is as reflected in the attached financial statement.

NOTE: Attach to this statement a certified financial statement showing the assets and liabilities, including contingent liabilities, fully itemized in accordance with accepted accounting standards and based on a proper audit. If the date of the certified financial statement precedes the date of this submission by more than six (6) months, also attach an interim balance sheet not more than sixty (60) days old.

- a. Name and address of auditor or public accountant who performed the audit on which said financial statement is based.
4. If funds for the development are to be obtained from sources other than the Offerer's own funds, provide a statement of the Offerer's plan for financing the acquisition and development, indicating a proposed source and amount of equity investment, proposed source of debt financing, and evidence of ability to obtain financing.
5. Sources and amount of cash available to Offerer to meet equity requirement of the proposed undertaking:

a. In Banks:

Name and Address of Bank	Amount
---------------------------------	---------------

b. By loans from affiliated or associated corporations or firms:

Name and Address of Bank	Amount
---------------------------------	---------------

Confidential

Confidential Statement of Financial Capability (cont'd):

- c. By sale of readily saleable assets:

Description	Market Value	Mortgage or Liens
--------------------	---------------------	--------------------------

6. Name and address of bank and financial institution references:

7. Has the Offerer or the parent corporation, or any subsidiary or affiliated corporation, if any, of the Offerer or said parent corporation, or any of the Offerer's officers or principal members, shareholders or investors, or other interested parties (as listed in the response to Item 3 of the "Statement of Qualifications") been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?

Yes _____ No _____

8. Has the developer or anyone referred to in Number 7 above been indicated for or convicted of any felony within the past 10 years?

Yes _____ No _____

If Yes, give for each case (a) date; (b) charge; (c) place; (d) court; and, (e) action taken. Attach any explanation deemed necessary.

Confidential Statement of Financial Capability (cont'd):

Certification

I (We)*, _____, certify that this Confidential "Statement of Financial Capability" and the attached evidence of the financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief and request that the information be treated confidentially.

Date: _____

Name _____ Title _____

Firm _____ Firm Address _____

Name _____ Title _____

Firm _____ Firm Address _____

* If the Offerer is a corporation, this Statement should be signed by the President and Secretary of the corporation; if an individual, by such individual; if a partnership, by one of the partners; if an entity not having a President and Secretary, by one of its chief officers having knowledge of the financial status and qualifications.

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