



STUDY SESSION OF THE TOWN BOARD

**Town Board Room
807 Mountain Avenue
Town of Berthoud, Colorado
Tuesday, January 17, 2023 6:30 p.m.**

This is an IN-PERSON meeting at the location and time noted above.

You may also join virtually using Zoom:

Phone: 1-346-248-7799 or 301-715-8592

Web: www.zoom.us/join

Use this Meeting ID: 210 035 9423

- I. WORK SESSION CALLED TO ORDER – Mayor William Karspeck**
- II. PLEDGE OF ALLEGIANCE – Mayor William Karspeck**
- III. ROLL CALL – Mayor William Karspeck**
- IV. ECONOMIC DEVELOPMENT UPDATE**
- V. DOWNTOWN DEVELOPMENT AUTHORITY**
- VI. STUDY SESSION SCHEDULE**
- VII. ADJOURN**

Town Clerk or Deputy Town Clerk

William Karspeck, Mayor

January 17, 2023 Study Session

The order of agenda items listed above are approximate and intended as a guideline for the Town Board. Individuals needing special accommodation may request assistance by contacting the Town Clerk, 807 Mountain Avenue, Berthoud, Colorado 80513, 970-532-2643 at least 24 hours in advance.



BOARD OF TRUSTEES INFORMATION

BUSINESS DEVELOPMENT DEPARTMENT

Meeting Date:	January 17, 2023
Agenda Title/Subject:	Business Development Update 2022 & Downtown Development Authority (DDA)
Type of Item:	Presentation
Purpose:	• Present the annual Business Development Update • Educate and Inform the Board of Trustees of the potential benefits of creating a DDA
Presented by:	Walt Elish Ayres Associates

ATTACHMENTS:

- Business Development Update
- DDA Presentation

BACKGROUND:

The support of Berthoud's downtown businesses and retaining and enhancing the look and feel of our Main Street corridor has been a priority for the Board and staff for a number of years. The adoption of the Mountain Avenue Corridor Overlay Plan along with supporting our business with parklets, patio heaters, a facade and sign grant program and financial assistance during COVID indicate Berthoud's commitment to this important corridor and Berthoud's downtown businesses. In addition, the Town is also currently exploring the redevelopment of 3rd Street and the Old Town Hall site. All of these projects demonstrate the Board's and staff's commitment and interest in retaining and enhancing this very important aspect of Berthoud's identity.

The next evolution in the process of enhancing our downtown area is to create a vehicle that has as its sole responsibility the economic and community vitality of the downtown area. A Downtown Development Authority (DDA) is one such vehicle. Berthoud's Business Development Department and Town Administrator, Chris Kirk, are interested in informing and educating the Board of the potential benefits and challenges of creating a Berthoud Downtown Development Authority (DDA). At this point we are not advocating for the creation of a DDA but want to bring this idea to the Board for discussion. Currently DDAs are used by communities throughout Colorado to enhance their downtowns including Fort Collins, Greeley, Longmont, Loveland and Windsor. Ayres Associates will be presenting the DDA concept to the Board as they have experience in creating and administering DDA's in CO and WY.

In addition to the DDA discussion, staff will also update the Board on his 2022 business

development activity and the process he utilizes to retain and attract business to Berthoud.

FISCAL IMPACT AND FUND SOURCE:

There is no fiscal impact with either of these items since they are being presented as information only.

COMMUNITY TOUCHSTONES:

The community touchstone that these two items address is our community identity. Berthoud is known and recognized for our quaint and historic downtown and these two items directly and indirectly address this Board priority.

RECOMMENDED ACTION(S):

None.

Berthoud Colorado

Business Development Update
January 17, 2023





Welcome to Berthoud Colorado





Berthoud Development Highlights

Population

12,500

(2021 estimate)



Average Annual Permits
past four years:

421



Education
87%
High
school
diplomas

Median household
income:

\$78K



105%
Growth
2010-2020

32%
College
Degrees

Median Home Value:

\$556K

17%

increase in home value
since last year



Berthoud's Largest Employers

Company

Employment Range

Ursa Major Technologies	200 - 250
Thompson School District	150 - 200
Northern Water	100 - 149
Berthoud Living Center	75 - 99
Associated Thermoforming Inc.	75 - 99
Aslan Construction	50 - 74
Phillips Plumbing	50 - 74
Hays Market	50 - 74
Aspen Leaf Kitchens	25 - 49
Berthoud Fire Protection Dist.	25 - 49
Energy Logic	25 - 49
Flow Systems	25 - 49
Rapid Production Tooling Inc	25 - 49
Green Tree Medicinal	25 - 49
Rocky Mountain Plumbing/Hydro Heat	25 - 49
Summit Solutions Of Co LLC	25 - 49
Town of Berthoud	25 - 49





Berthoud Development Highlights (about \$90 million in new construction)



Over
\$90 million
in new
construction
2020-2022





Business Development Focus

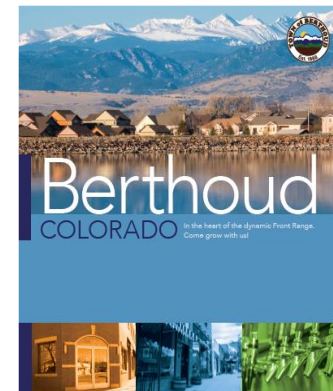
Business Retention

- LC BRE
- Executive Briefings
- Business visits
- Shop Local Program
- Parklets & Patio Heaters



Business Attraction

- REDI
- Commercial brokers / developers
- Metro Denver EDC
- CO Office of Economic Development
- Upstate Colorado
- Site location consultants
- Networking

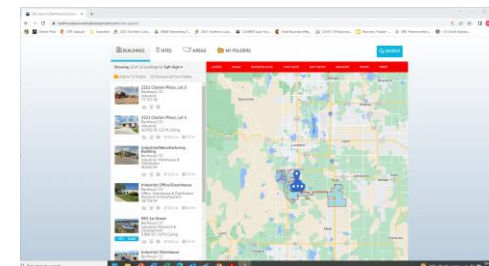


Communication

- Regular email communication
- Social Media/Email

Other Projects

- Broadband Feasibility Analysis
- Old Town Hall Redevelopment





Regional Economic Development

- Northern Colorado Regional Economic Development Initiative (REDI)
- Business and Economic Development Partnership



2019 Northern Colorado Economic Questionnaire

Name: _____ Date: _____
Company: _____ Industry Type: _____
Title: ☐ Owner/Executive ☐ Manager ☐ Other _____

1. Is your annual company growth (please answer for both head count and sales)

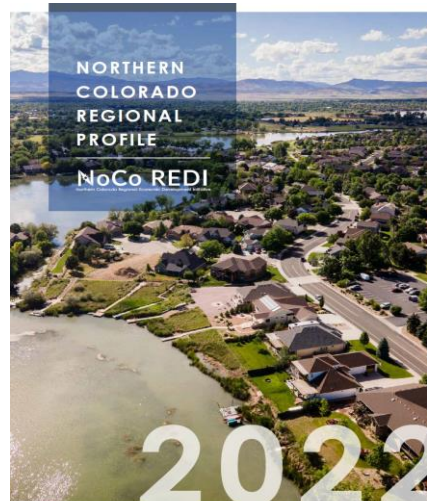
Head Count	Sales
☐ Up	☐ Up
☐ Neutral	☐ Neutral
☐ Down	☐ Down

2. Is your confidence in the Northern Colorado economy
☐ Up ☐ Neutral ☐ Down

3. Would you consider relocating your business outside of Northern Colorado?
☐ Yes ☐ No

4. What is the greatest opportunity facing your business?

5. What is the greatest threat facing your business?





Heron Lakes Commercial





Heron Pointe Commercial

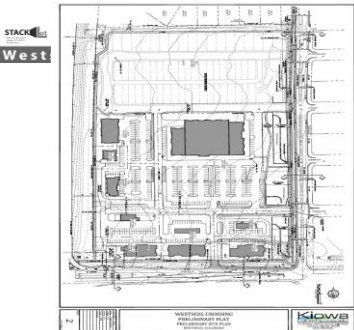
BERTHOUD, COLORADO NEW RESIDENTIAL DEVELOPMENTS

- Arbor Ridge**
65 Residential units (planning review)
- The Farmstead**
1,232 - 1,691 Residential units (approved)
- Hammond**
749 Residential units (under construction)
- Heritage Ridge**
400+ Residential units (under construction)
- Heron Pointe**
321 Residential units
- Ludlow Farms**
1,264 Residential units (approved)
- PrairieStar**
1168 Residential units (under construction)
- Rose Farm Acres**
147 Residential units (approved)
- TPC Colorado at Heron Lakes**
1,200+ Residential/Master-planned community
- Vantage**
829 Residential units
(under construction and planning review)
- Wilson Ranch**
4,000 Residential units (approved)





Westside Crossing



**14 acres commercial
7 acres residential**





Retail/Commercial Development



RESTAURANT DEVELOPMENT STRATEGY & SITE SELECTION CRITERIA

Minimum Demographics in a 3-mile radius*

- Total Population40,000
- Total Employees.....40,000
- Average HH Income.....\$50,000
- Population Med Age.....33
- Traffic Count.....35,000
ADT

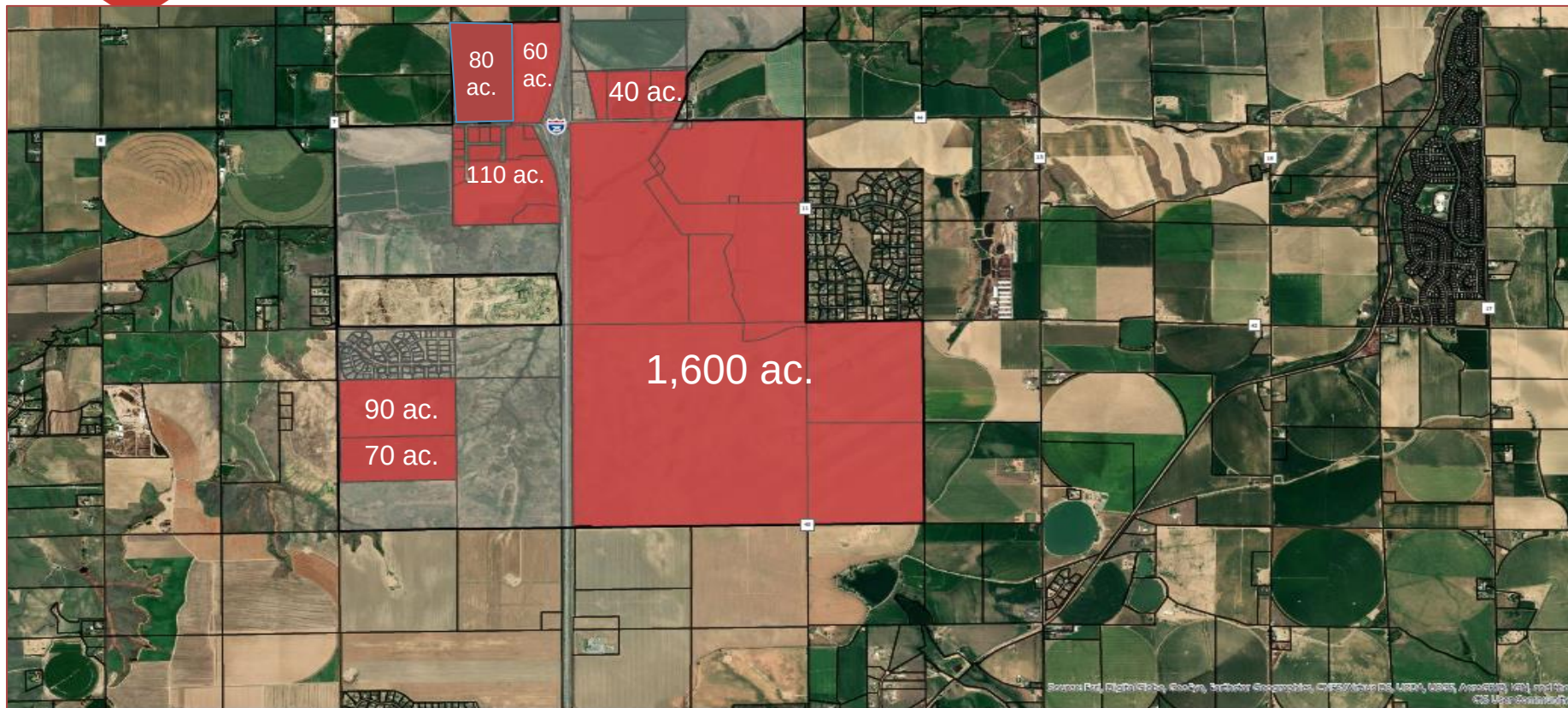


SITE CRITERIA

- Residential Population:....12,500+ (5 minute DT)
- Local Employee Pool:5,000+ (5 minute DT)
- Traffic Count Minimum:.....20,000 Average DT
- Median Household Income: .Min \$40,000 Prefer
\$50,000+



I-25 Development Opportunities





3rd Street Corridor

Redevelopment of Former Town Hall Site

Town of Berthoud - Town Board
January 17, 2023
Page 16 of 37





Business Development Activity 2022

Town of Berthoud - Town Board

January 17, 2023

Page 17 of 37

37 Inquiries for Site / Building Information

2 preliminary

35 eliminated

3 Significant prospect visits

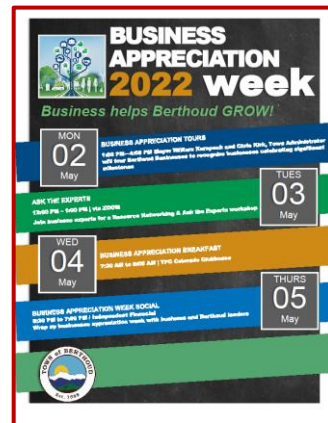
National Retailers

3 Presentations

Other Activity

Small Business Week Activity

Shop Local Program



I will keep you in mind for anything Berthoud. I wish all Towns had one of you that is as responsive and on it as you are! *NoCO Commercial Broker*



Holiday program generates sales for Berthoud businesses

[BizWest Staff](#)

1/10/23

We moved our business to the town of Berthoud over 25 years ago, and it has proved to be one of our best decisions. Berthoud has been a great location for our business to grow and attract the technical employees we require. *Jeff Scano, President. Flow Systems*

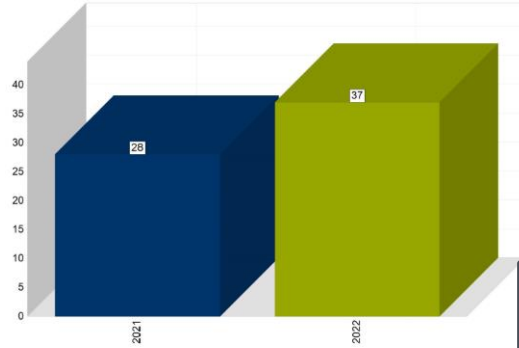


Business Development Activity 2022



ECONOMIC DEVELOPMENT REPORT

Attraction Business Prospects

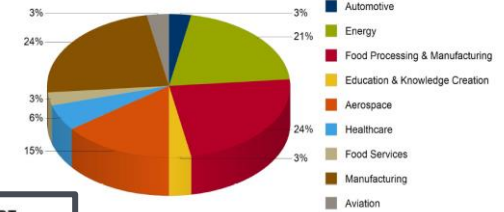


2021 - 2022 Comparison



ECONOMIC DEVELOPMENT REPORT

Attraction Industry Type

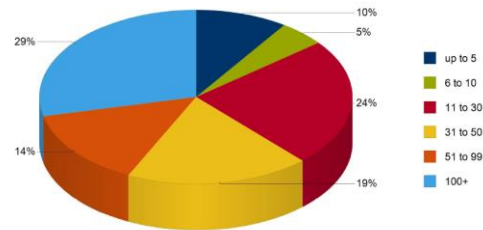


2022



ECONOMIC DEVELOPMENT REPORT

Attraction Prospect Acreage Requests



2022

Berthoud

COLORADO'S GARDEN SPOT

Come **GROW** with us!

BUSINESS FRIENDLY | EXCELLENT SCHOOLS | CENTRALLY LOCATED

Walt Elish
Town of Berthoud
Business Development Department
welish@berthoud.org
970-344-5806





Town of Berthoud Downtown Development Authority Discussion

January 17, 2023

Ingenuity, Integrity,
and Intelligence.

www.AyresAssociates.com

At Our Core



Who We Are



Josh Olhava, AICP, PCCP
*Project Manager /
Sr. Community Planner*



Matt Ashby, AICP, CUD
*VP of Development Services /
Principal Community Planner*



Mike Scholl
*Economic and Planning
Specialist*

Experience Examples



DCI Group
Facilitation



Think Like a
Developer -
Workshop



National
Expertise



Downtown Development Authority

What is it and what can you do with it?

DDAs in Colorado

- Around 16 DDAs in the State of Colorado.
- Legislation was originally enacted in 1963.
- Communities can only have one DDA plan area with a focus on the Central Business District.



DDAs in Legislative Intent

- Promote the health, safety, prosperity, security, and general welfare of the inhabitants thereof and of the people of this state.
- Halt or prevent deterioration of property values or structures within central business districts.
- Halt or prevent the growth of blighted areas within such districts, and will assist municipalities in the development and redevelopment of such districts and in the overall planning to restore or provide for the continuance of the health thereof
- Be of especial benefit to the property within the boundaries of any authority created pursuant to the provisions of this part.



DDAs - Formation

1. Complete the Plan of Development

- Establish boundaries of the DDA and identify eligible voters.
- Plan identifies potential projects and uses for the funds and establishes the upper limit for future debt.
- Must be submitted to the Planning Commission and must be approved by the City Council.

2. Conduct an election

- Town Board submits the question to the voters at a regular or special election.
- Voters include property owners, lessees and residents.
- TABOR election can only be held at a regular election.
 - Ad valorem tax of up to five Mills to fund operations.
 - Ability to issue debt.
- Appoint the board.

3. Execute the plan as approved

- Identify projects.
- Issue debt and make investments.
- Hire staff.
- Enter into contracts.

DDA Powers



- Hire staff, retain legal council and enter contracts.
- Complete plans and studies.
- Study and analyze the impact of metropolitan growth upon the central business district.
- Make investments in public facilities, private development projects and other investments.
- Acquire property.
- Carry out long term planning.

DDA Board

Prescribed by State Statute:

The affairs of the authority shall be under the direct supervision and control of a board consisting of not less than five nor more than eleven members appointed by the governing body. **A majority of the members appointed shall reside or own property in the downtown development district.**



DDAs – Strategies To Consider

- DDAs are more flexible than URAs but the election can be challenging. Identify community partners to manage the election and develop a clear election plan.
- Be prepared to identify potential voters, not a typical election process, engage with the Clerk early.
- Town will need to provide some staffing and other operational support at the inception of the DDA before revenue starts to accrue.
- Timing is important. Identify the projects that will create tax increment.



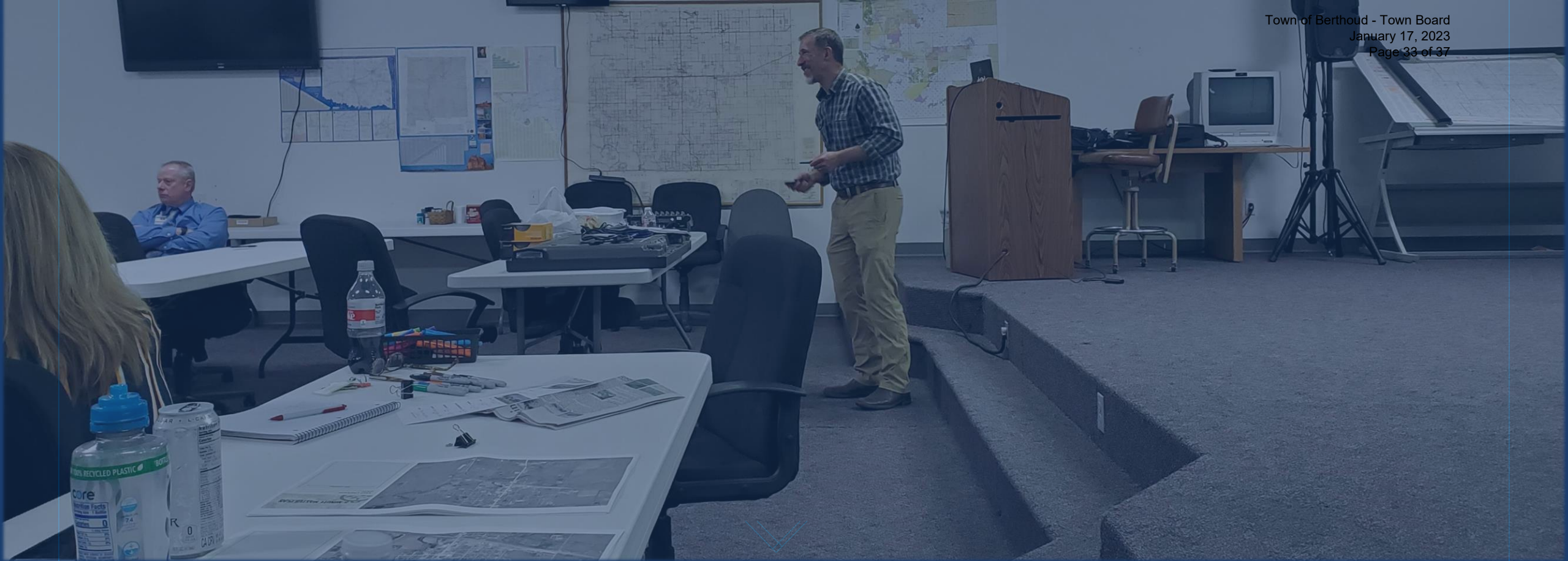
DDA vs. URA – Key Differences

DDA

- 30 years with 20-year extension.
- Plan of development with no blight study.
- Mill levy for operations.
- Development and redevelopment focus.
- Subject to TABOR.
- No eminent domain.
- Election requirement.

URA

- 25-year lifespan with no opportunity to extend.
- Blight study that identifies conditions.
- No taxing authority.
- Development and redevelopment focus.
- Not subject to Tabor.
- Eminent domain.
- No election.



DISCUSSION & QUESTIONS

Tax Increment Finance

A quick primer.

Quick Definitions

Tax Increment: The revenue increase over and above a defined base amount of taxable valuation for a defined area that results from a project or investment.

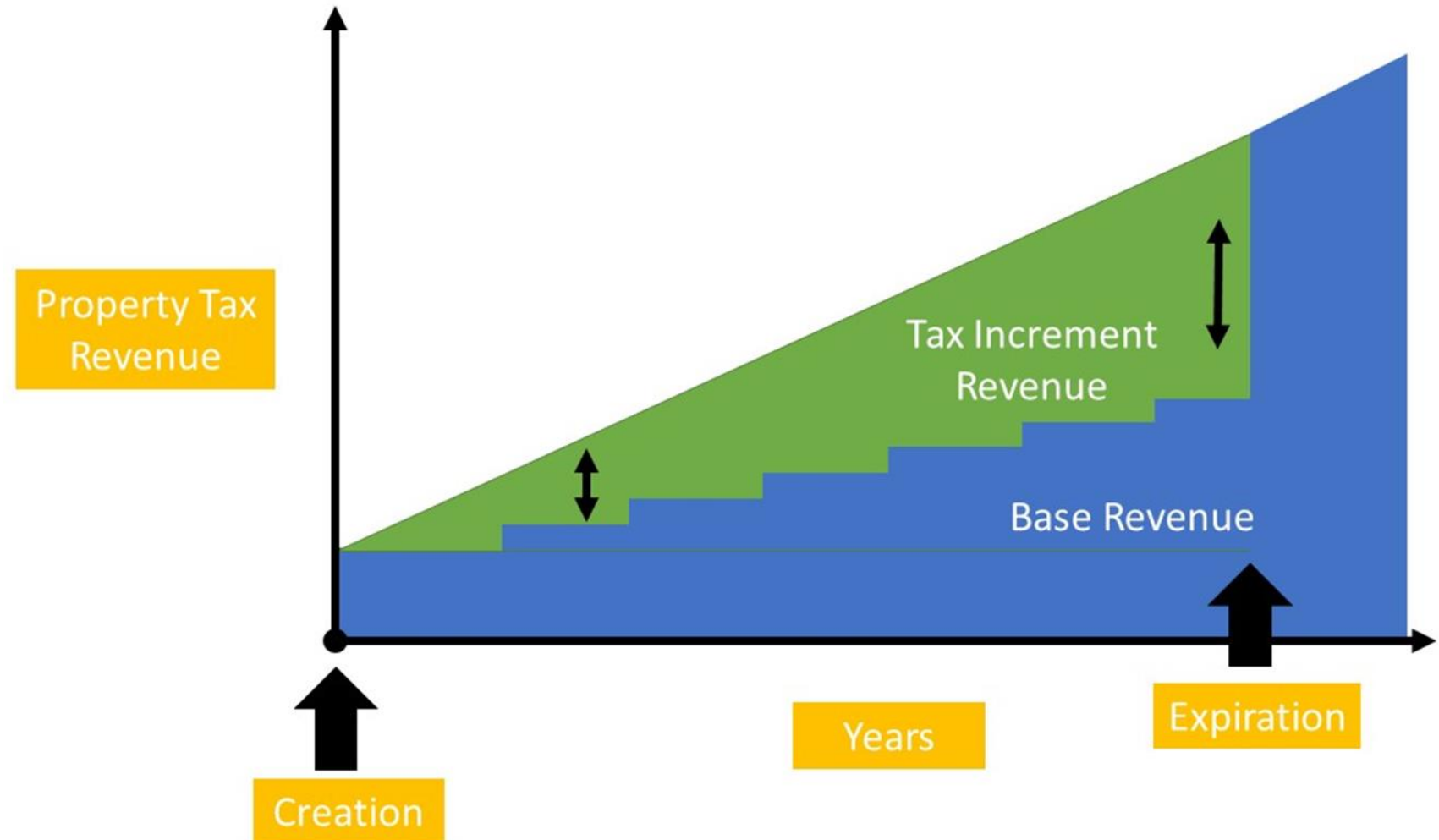
Base Revenue: The amount or level of tax revenue collected from a defined plan or project area at the inception of the DDA or URA. This can refer to either property tax or sales tax revenue.

Tax Increment Revenue: Monies that are diverted to the Authority (either DDA or URA) that can come from property tax and/or sales tax revenue that can be used to fund debt obligations.

Tax Increment Finance: Use of anticipated future Tax Increment Revenue to obligate debt for project investments and/or public improvements.

TIF – How does it work

- Method of public finance using anticipated future tax revenue from the plan area using property tax and municipal sales tax.
- Only available through URAs and DDAs.



Uses of TIF Revenue

- Traditional financing
 - Bank loans
- Intra-fund lending City and redevelopment entity
- Issue bonds
 - Preferably tax-exempt
- Back-end financing
- Rebates
- Combo platter

