

CITY OF LONGMONT

EXISTING ECONOMIC DEVELOPMENT INCENTIVES

The City of Longmont has the following ordinances, plans and program that provide some form of assistance to new and existing commerce and industry.

MONETARY INCENTIVES

Development Fee Waiver Ordinance – Adopted in 1988, this ordinance enables new and expanding industrial developments to receive up to a 30% waiver of most fees normally collected at the time of receiving a building permit. If special circumstances exist, 100% of building permit fees can be waived by the City Council. The only fees not eligible to be waived are those necessary to retire debt for capital improvements (i.e., water, sewer, storm drainage). To date, about \$2,400,000 of certain building permit fees have been waived.

Sales and Use Tax Exemption – Exempts businesses new to Longmont (for the first two years) from paying the City 2.95% sales and use tax on the purchase or use of measurement and inspection equipment or research and development equipment.

Exempts all Longmont businesses from paying the City 2.95% sales and use tax on the purchase or use of machinery and machine tools with a cost in excess of \$1,000 to be used in Longmont directly and exclusively in manufacturing tangible personal property.

Planned Unit Development ordinance – Allows density bonuses and reduction of park fee for those projects proposing to construct amenities in addition to what is normally required.

Downtown Development Authority Fees/ Developers Incentive Program – All City fees collected by the City on projects located within the Downtown Development Authority are given to the DDA to be used for public improvements in downtown Longmont. Over \$200,000 has been given to the DDA to date. The DIP grant program, administered by the DDA, enables an owner of small business to receive up to a 50% grant for the purpose of installing required public improvements. About \$24,000 annually is allocated for this program.

Community Development Block Grant – The City can use a portion of its annual Block Grant funds to finance capital improvements that benefit economic development activities.

LAEC Support – Since 1981, the City has given a total of \$2,315,762 to the Longmont Area Economic Council (formerly Economic Development Association of Longmont) to assist in their efforts to promote and attract commerce and industry to Longmont.

Tax Increment Financing – The City created a Tax Increment Financing District to coincide with the Downtown Development Authority boundaries, and authorized the DDA to administer a downtown beautification project financed with TIF bond revenues.

Private Activity Bond – Formerly called Industrial Development Revenue Bonds, this program allows a developer to finance the construction, acquisition and expansion of manufacturing facilities through the use of tax exempt bonds which results in a much lower cost to the developer.

Special Improvement Districts (e.g. Business Improvement Districts) – The City supports the use of Special Improvement Districts for use by developers to provide infrastructure financed by low interest, tax-exempt bonds.

No Interest/Low Loans – The City has made about \$70,000 (Block Grant Funds) available to the Downtown Development Authority for the purpose of providing no interest/low interest loans to businesses wanting to improve the interiors or exteriors of their buildings.

Capital Improvements Program – Annually, the City undertakes major capital improvement projects that have improved the City's infrastructure and support overall economic development activities.

Art in Public Places ordinance – The City Council established a program of requiring 1% of public sector construction costs of projects over \$50,000 to be used to purchase and locate works of art on public land. To date, about \$1,300,000 has been contributed to this program.

NON-MONETARY INCENTIVES

Development Review Process – Allows for the concurrent processing of multiple applications needed to obtain a building permit (e.g., annexation, subdivision, planned unit development). This could result in the processing time for applicants to be four to six months quicker.

The City Council has implemented 50 recommendations from a special citizens' task force regarding the City's fees and regulations which were deemed necessary to stay competitive with other front range communities. The current development code has been updated to reflect additional modifications to ensure the efficient processing of quality development projects.

Positive Staff Relations – The City administration believes that the way in which a government's staff works with the development community can create a healthy business atmosphere. Time spent by the staff explaining the rules, trying to work with property owners and negotiating within predetermined guidelines fosters a positive relationship with the private sector and demonstrates that Longmont staff is committed to assisting the "customer" and getting projects quickly approved consistent with City regulations.

Mixed Land Uses – Zoning within the City is standardized to protect property values and to separate different land uses. A trend is developing to permit commercial uses in residential developments, and vice versa, in order to generate additional revenues and jobs, and afford residents the opportunity to live, work and shop in the same neighborhood. While mixed land uses have been more popular in central city areas, this use can occur in Longmont if it is in a planned unit development.

Fast Track Annexation – Longmont has a special process to expedite an annexation application having a significant economic development emphasis measured by a major industrial user needing at least 80 acres of property. Additionally, affordable housing plans go to the top of the processing list as a way to expedite that type of residential development.

Quality of Life – Identifying and measuring a community’s quality of life is a difficult task due to diverse individual perspectives. The City Council has adopted specific quality of life benchmarks to guide its decisions regarding the community’s future growth and development. These benchmarks illustrate Longmont’s ability to provide adequate community services. Housing costs, school capacity, incidence of crime, traffic, and pollution are all monitored to help determine the impact that growth has on Longmont’s quality of life. This information is available by contacting the Community Development Department, 303-651-8320.