

DOWNTOWN VISION: Downtown is the heart of Longmont, home to a robust mix of innovative and creative businesses, as well as being the hub of cultural life, diverse housing, and civic activities. Downtown's authentic and progressive atmosphere welcomes people of all ages, cultures, incomes, and abilities from across the Front Range, and is a point of pride for the entire Longmont community.



The Longmont Downtown Development Authority (LDDA) offers business and property owners several programs to support the maintenance and improvement of the historic buildings in our Downtown Longmont District. The existing programs are based on current funds available.

Prior to beginning these programs, applicants must meet with the LDDA staff and submit completed applications for full review. Applicants may also have to meet with the Board of Directors to receive final approval for grant requests. Grant applicants are required to demonstrate how their improvement is compatible with the Downtown Longmont Master Plan of Development and/or the Downtown Longmont Creative District Goals and Strategies.

All grants are a reimbursement with funds dispersed after the project is completed and inspected by the LDDA. Applicants must receive LDDA approval BEFORE starting a project. If a project is started or completed before grant approval, the grant application is forefeited and ineligible for funding.

# Façade Renovation Grant (DIP)

This grant reimburses applicants for projects to renovate a building's façade. The maximum grant is 25% of the total façade costs of the project, not to exceed \$10,000. Funds may be used for façade restoration/renovation projects that would require a significant change to the façade of the building.

# **Residential Grant**

This grant is designed for façade and internal code renovation (upper story only) to residential housing to enhance the value of the building or property. The maximum grant is 25% of total costs with various caps depending on the housing type. The cap limit may be lifted for projects that fulfill the LDDA's Downtown vision.

### **Retail Conversion Grant**

This grant reimburses retail storefront businesses for converting and upgrading previously non-retail properties in the LDDA District to encourage additional retail development. Destination retail, craft, and culinary space businesses generating significant foot traffic are preferred. The program will provide a grant up to 25% of eligible project costs (not to exceed \$22,500), from the LDDA and the Longmont Economic Development Partnership (LEDP) for qualifying improvements to qualified applicants. The total combined grant amount may not exceed 50% of total project cost.

# Sign Grant

This grant is designed for permanent sign projects for downtown buildings and properties. The signs must follow Downtown Sign Design Standards and City Sign Code. The maximum grant is 25% of total sign costs with a cap of \$3,500, contingent on available funds. The \$3,500 limit may be exceeded for marquee type signs associated with theaters, cinemas or performing arts facilities, subject to LDDA Board approval.

# Façade Improvement Program (FIP)

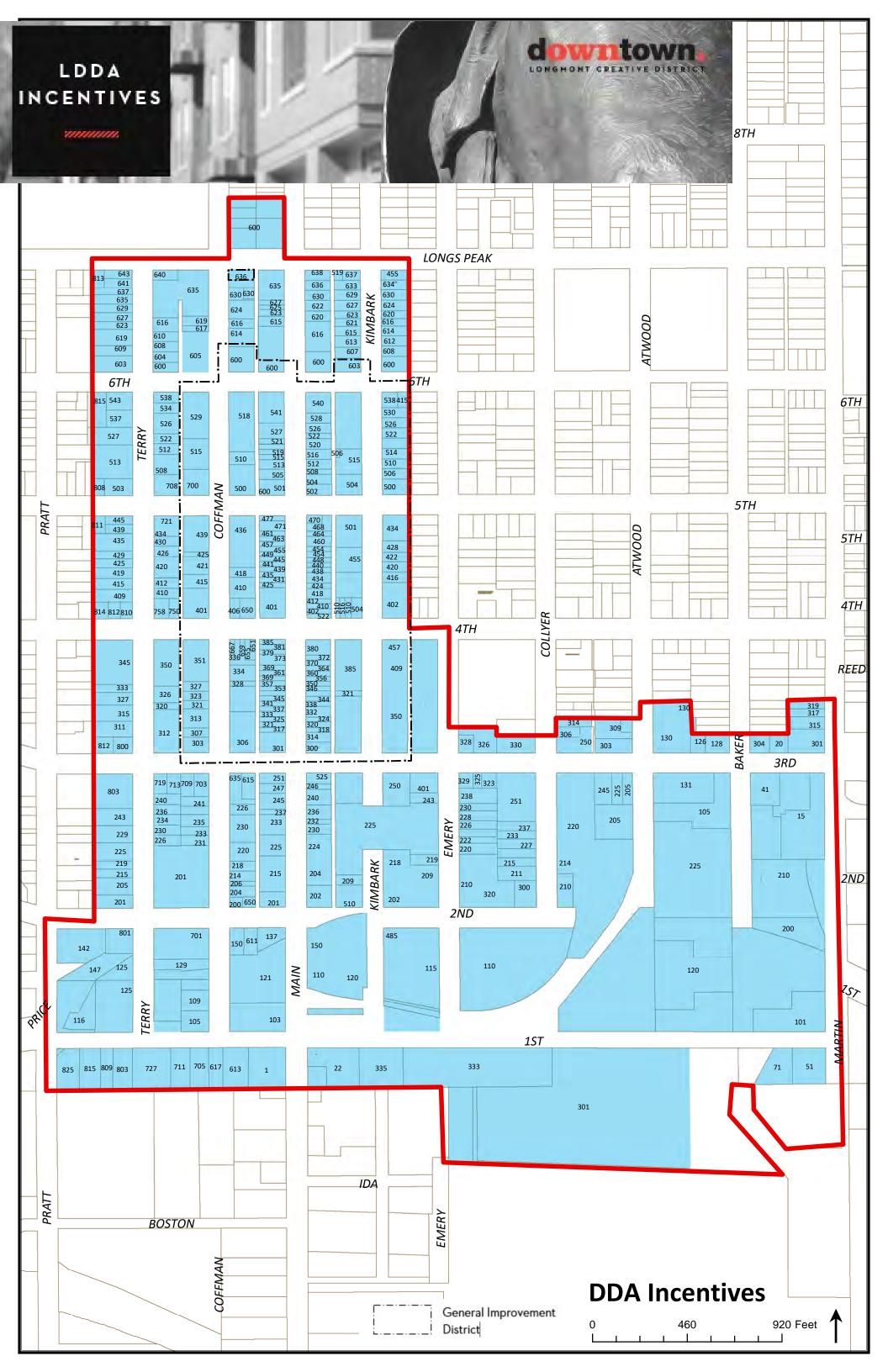
The Facade Improvement Program helps facilitate larger scale catalyst redevelopment projects in the downtown area through the use of tax increment investments. Applications are evaluated by the LDDA Board using an evaluation scoring system. Funding of eligible improvements will be based on a project's score and available funds. Funding is available to property and business owners through this program for eligible building façade and public improvements. The City of Longmont provides staff assistance to the LDDA to administer the FIP.

## **LDDA Contact Information**

Kimberlee McKee, Executive Director (303) 651-8483, kimberlee.mckee@longmontcolorado.gov

Del Rae Heiser, Downtown Specialist (303) 651-8586, delrae.heiser@longmontcolorado.gov

For details and applications, please visit our website at <a href="www.downtownlongmont.com">www.downtownlongmont.com</a> and click on Work, then Incentive Programs. You may also stop by our office, Monday – Friday, 9 am – 5 pm to pick up an application.



### Longmont Downtown Development Authority (LDDA) Funding

- Founded in 1982
- Funded through Tax Increment Financing (TIF)
- LDDA has a 5 mill levy on all real and personal property within the district which goes toward district operations and maintenance
- LDDA manages the Longmont General Improvement District (GID) which is funded through a property tax levy of 6.798 mills on all real and personal property within the GID boundaries. Funds are used for routine maintenance of public parking lots and pedestrian ways located within the GID
- LDDA manages the Downtown Parking Fund on behalf of the City of Longmont
- LDDA has more than 430 parcels and nearly 400 local businesses

### LDDA Invests in Infrastructure Projects

- Alleyscape & Breezeway project
  - Partnership with the City of Longmont to fix drainage and pavement issues
  - Fix aesthetic problems such as trash containers and wires
  - Make breezeways into open-area gathering spaces
- Public sector Beautification projects
  - Streetscape expansion from 3rd to 1st Avenue
  - St. Stephen's Plaza
  - Flower pots
- Coordinated benches, bike racks, trash/recycle containers
- Banners & kiosks

### LDDA Invests in the Creative District

- Designated as a Certified Colorado Creative District
- Working to infuse downtown with arts, cultural, entertainment and creative-based employers
- Adds vibrancy and activity to make Downtown more appealing to businesses, developers, potential employers and visitors

### LDDA Invests in Businesses

- Joint marketing programs
- Website and resources
- Partner with other organizations for business trainings and services
- Work with property owners for listing available spaces
- Assists in matching businesses with locations
- Coordinates district-wide promotions and events









The Longmont Downtown Development Authority (LDDA) has tools to maximize property investments using federal, state and local partners to support construction, maintenance and improvement of properties in the Downtown Longmont District.

# **Opportunity Zone**

An Opportunity Zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Opportunity Zones are designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least ten years, the investor is eligible for an increase in basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged.

For more information please visit: <a href="https://www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions">https://www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions</a>

# **Enterprise Zone**

The Enterprise Zone (EZ) is a state funded program that was created to promote a business friendly environment in economically distressed areas by offering state income tax credits that incentivize businesses to locate and develop in - and non-profit organizations to assist with the needs of - these communities. Areas of Longmont, Lafayette, and Broomfield recently received the North Metro Enterprise Zone designation. Specific areas of the Downtown District are included in this program!

For more information please visit: <a href="www.advancecolorado.com/ez">www.advancecolorado.com/ez</a> or contact Jessica Erickson, Longmont Economic Development Partnership at 303-651-0128 or by email, <a href="jessica@longmont.org">jessica@longmont.org</a>.

# Partners for a Clean Environment (PACE)

Your one-stop-shop for business sustainability in Boulder County.

Partners for a Clean Environment (PACE) provides free expert advisor services, financial incentives and a certification program to help businesses measure and gain recognition for their energy, waste, water, and transportation achievements. PACE Partners are businesses committed to supporting a strong economy, implementing environmentally sustainable practices and demonstrating leadership in our community.

For more information please visit: www.pacepartners.com | info@pacepartners.com | 303-786-7223

# **Downtown Longmont Historic District**

A tax credit is a dollar-for-dollar reduction in the amount of tax owed to the government. Tax credit projects create jobs and provide financial incentives to revitalize historic buildings. Designation of National Historic District and Listing on the National Register provides formal recognition of the District's historical, architectural, or archeological significance based on national standards. Having a district can help build Community Pride and provide additional tools for planning, economic development and tourism while minimizing the restrictions placed on the property owners. It also provides financial incentives to property owners of Contributing Buildings through tax credits and grant opportunities.

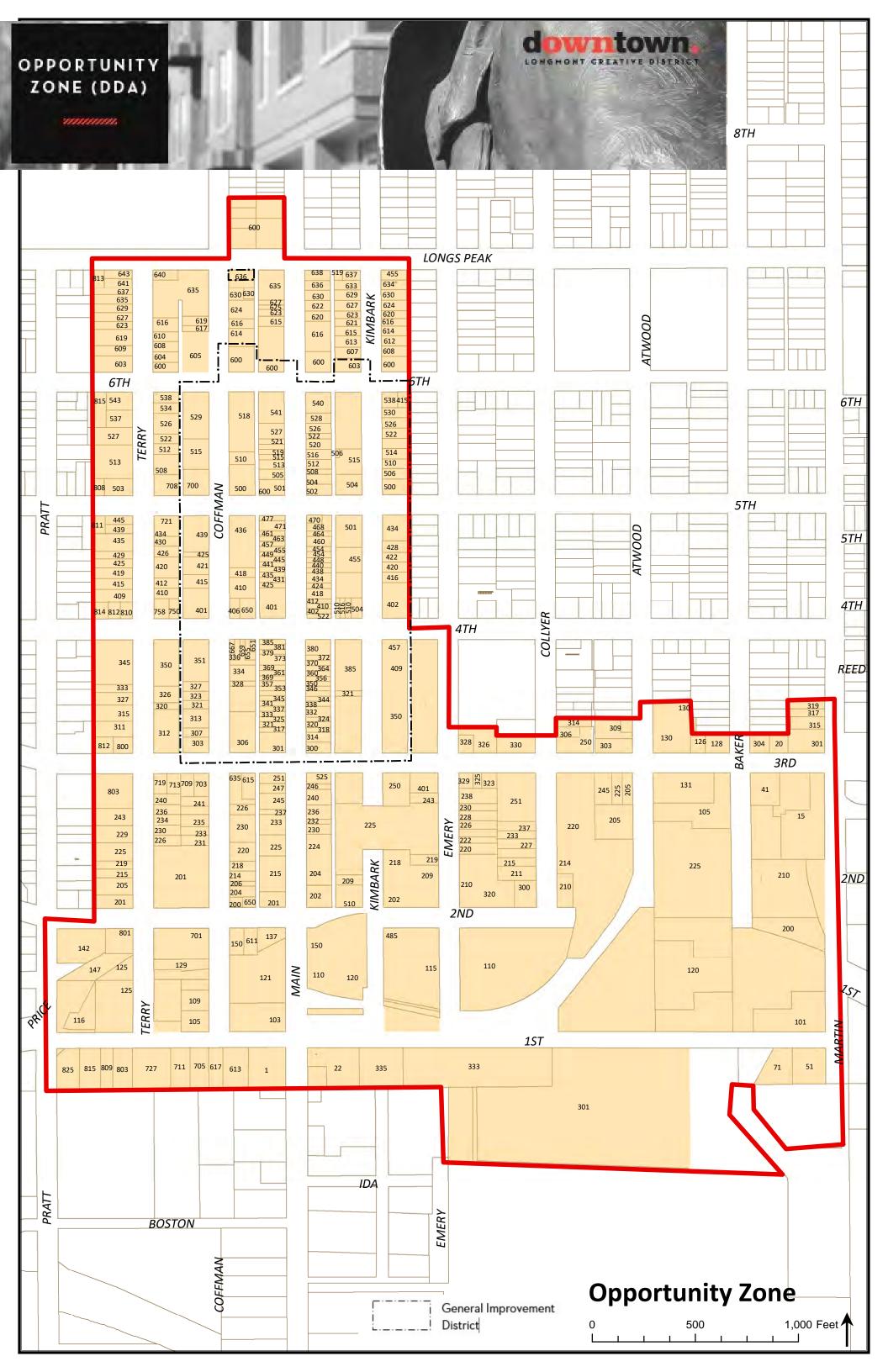
For more information please visit:
<a href="https://www.downtownlongmont.com/explore/historic-district">www.downtownlongmont.com/explore/historic-district</a> or
<a href="mailto:contact">contact Karen Bryant, City of Longmont karen.bryant@longmontcolorado.gov</a>

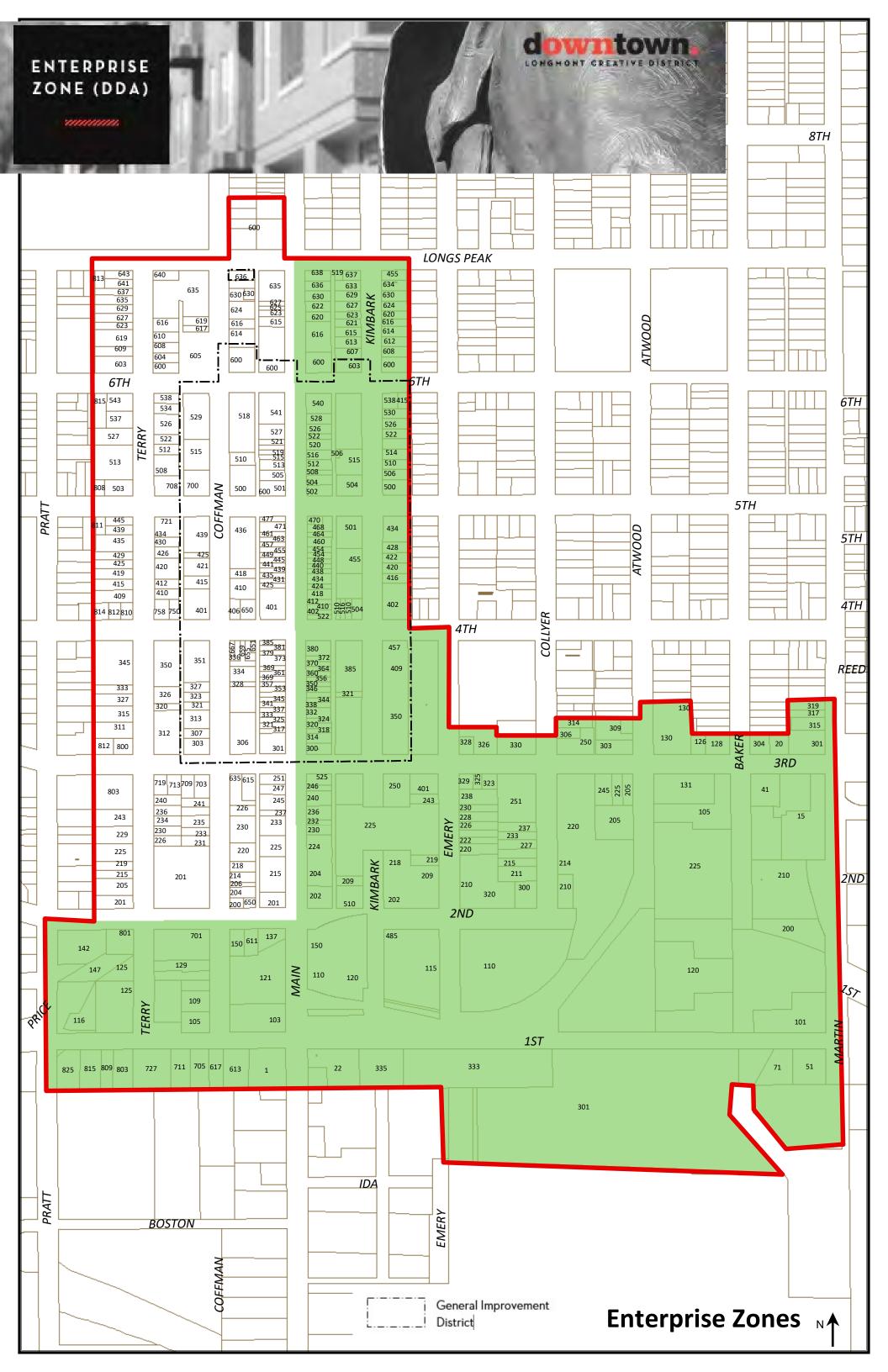
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# NORTH METRO ENTERPRISE ZONE

### WHAT IS AN ENTERPRISE ZONE?

The Enterprise Zone (EZ) is a state funded program that was created to promote a business friendly environment in economically distressed areas by offering state income tax credits that incentivize businesses to locate and develop in - and non-profit organizations to assist with the needs of - these communities. Areas of Longmont, Lafayette, and Broomfield recently received the North Metro Enterprise Zone designation.

### ARE YOU IN THE NORTH METRO ENTERPRISE ZONE?

Visit WWW.CHOOSECOLORADO.COM/EZ to determine if your address or parcel number is located in the EZ and qualifies for tax credits starting in 2016.

### WHAT DOES THIS MEAN FOR YOUR BUSINESS?

EZ tax credits can have a significant impact, from \$1,000 to \$500,000. The following incentives can be earned if your business is located in the Enterprise Zone for the tax year beginning 1/1/2016 and after:

### **BUSINESS INCOME TAX CREDITS**

- INVESTMENT TAX CREDIT: This is the most widely used tax credit. It allows you to receive a credit against your state income tax of 3% of your capital investment in equipment. 12-year carry forward.
- COMMERCIAL VEHICLE INVESTMENT TAX CREDIT: This allows you to receive a tax credit of 1.5% on qualified commercial vehicle purchases for vehicles that will be used in the EZ only.
- JOB TRAINING TAX CREDIT: This allows you to claim a credit of 12% on qualified job training program expenses. This credit allows you to make a significant investment in human capital.
- NEW EMPLOYEE TAX CREDIT: If you create a new job in the EZ, then you could be eligible to receive a credit of \$1,100 per new job created. (Existing jobs transferred from another Colorado location are not eligible.) 5-year carry forward.
- AGRICULTURE PROCESSOR NEW EMPLOYEE TAX CREDIT: This allows you to claim a credit of \$500 per new job created.
- EMPLOYER SPONSORED HEALTH INSURANCE CREDIT: If you pay more than 50% of your employees' health care benefits, there is an extra \$1,000 per covered employee that can be claimed for the first two full income tax years while located in the EZ, in addition to the new job credit. 5-year carry forward.
- R&D INCREASE TAX CREDIT: If you have increased expenditures on research and experimental activities in the EZ, you may qualify to receive a credit of 3% on these expenditures. It must be technological in nature and be useful in the development of a new or improved product or service. 4-year carry forward.
- VACANT BUILDING REHABILITATION TAX CREDIT: If you own or are a tenant of a building in the EZ that is at least 20 years old and has been completely vacant for at least 2 years, you may claim a tax credit of 25% of your rehab expenditures if the building will be for commercial use.

### ADDITIONAL EZ INCENTIVES

- MANUFACTURING/MINING SALES AND USE TAX EXEMPTIONS: There is a state-wide sales tax exemption for companies purchasing manufacturing equipment. If you are in the EZ, this is expanded and can include expensed items, materials used to repair equipment, and mining equipment.
- CONTRIBUTION TAX CREDIT: If you make a monetary or in-kind contribution to an EZ project for the purpose of implementing the economic development plan in the EZ, you may claim an income tax credit of up to 25% cash of the value of the contribution.

For more information on these incentives, please visit <a href="https://www.choosecolorado.com/ez"><u>WWW.choosecolorado.com/ez</u></a>.

### PRE-CERTIFICATION IS REQUIRED!

Each income tax year, if your business is located in the EZ, you must apply and must be Pre-Certified prior to beginning an activity to earn any of the business tax credits listed. At the end of the income tax year, you must Certify that the activities were performed. Pre-Certification and Certification can be easily applied for online at WWW.CHOOSECOLORADO.COM/EZ.

### FOR MORE INFO OR ASSISTANCE, PLEASE CONTACT:

**LONGMONT:** 

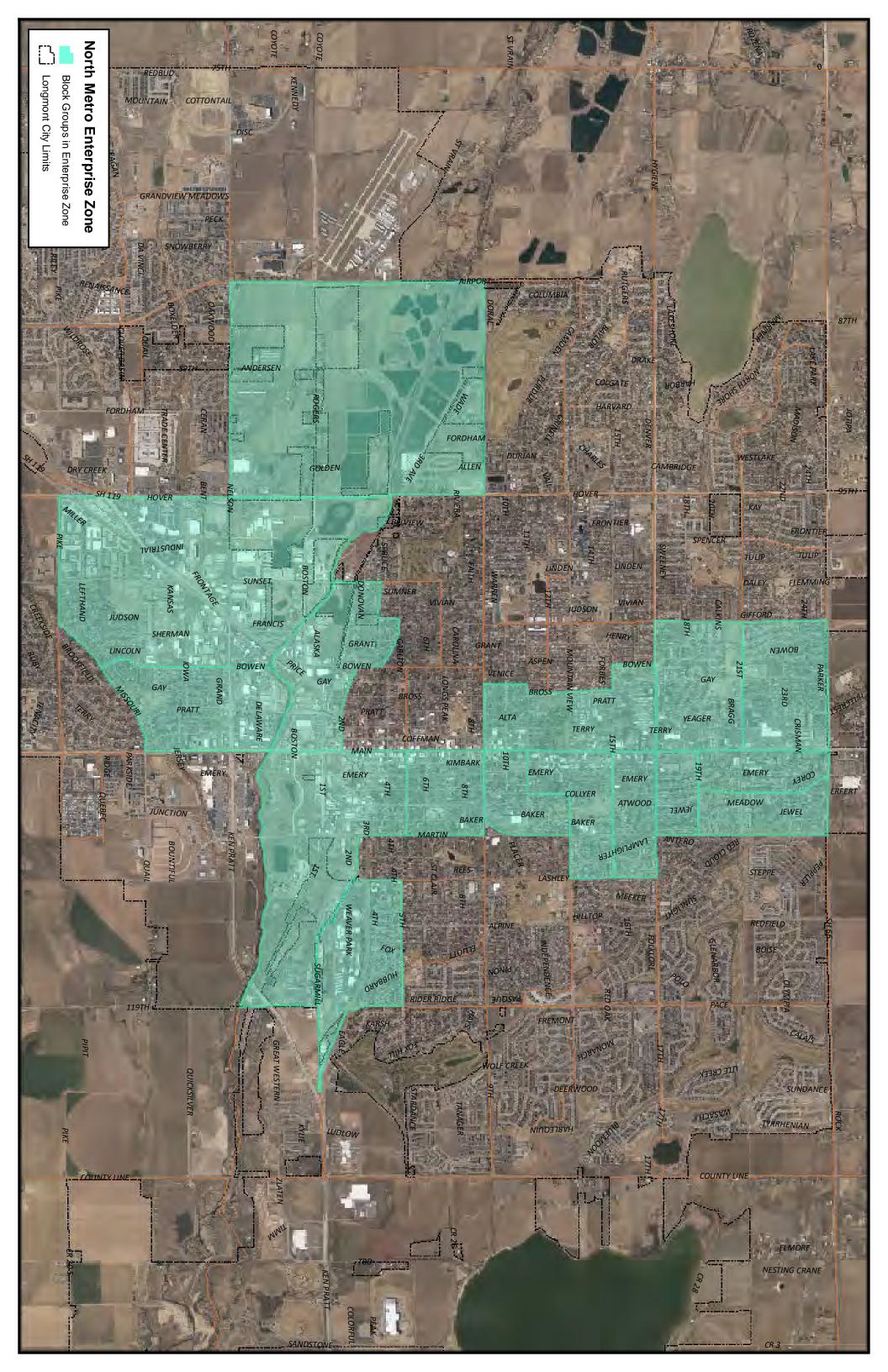
Sergio R. Angeles Longmont Economic Development Partnership 303-651-0128 sergio@longmont.org

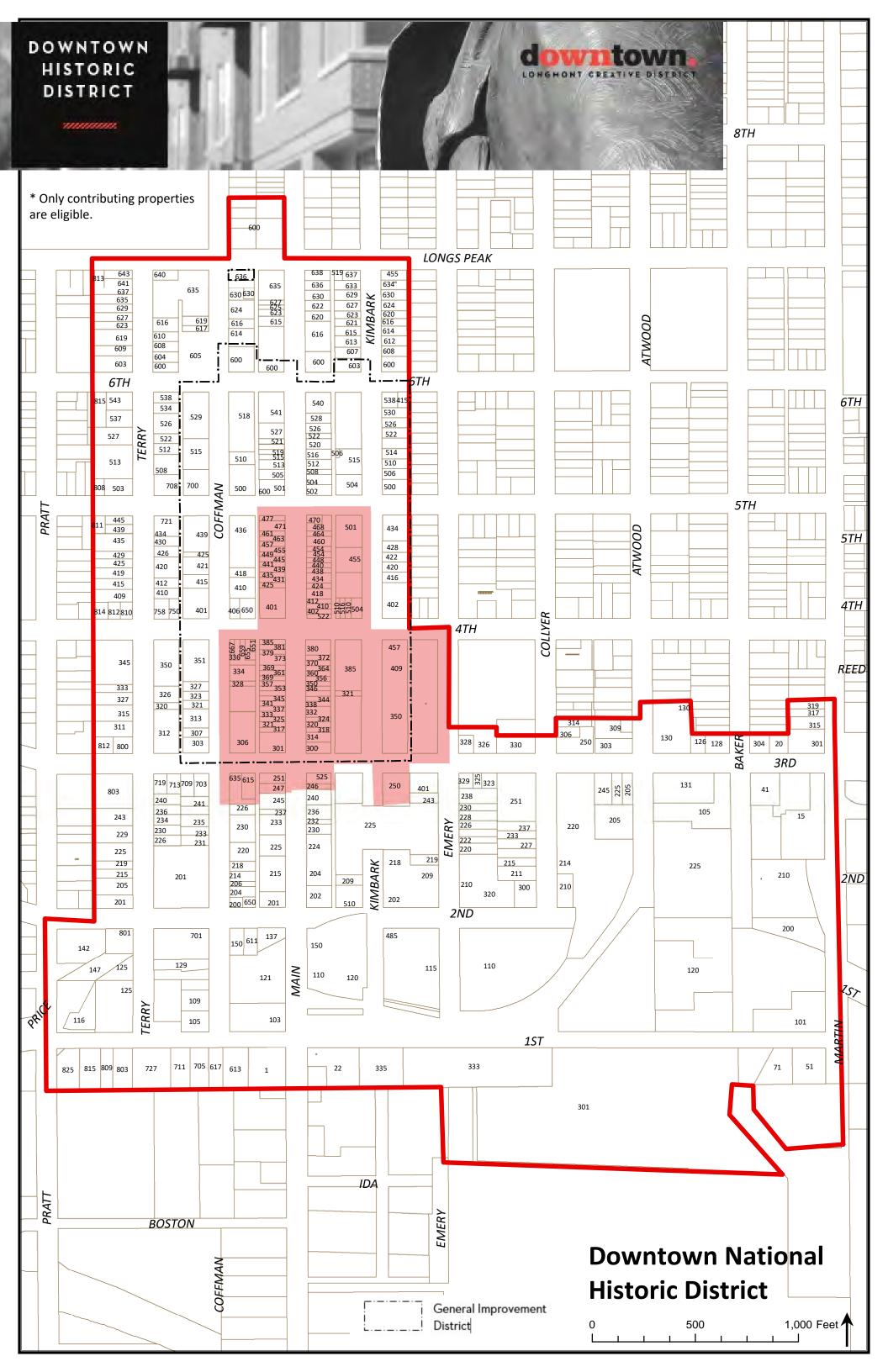
LAFAYETTE: Roger Caruso

City of Lafayette 303-661-1262 rogerc@cityoflafayette.com

**BROOMFIELD:** 

Iill Mendoza City and County of Broomfield 303-464-5579 jamendoza@broomfield.org







# Historic District Contributing Buildings - Eligible for Tax Credits

- 306 Coffman Street
- 328 Coffman Street
- 334 Coffman Street
- 336 Coffman Street
- 250 Kimbark Street
- 375/385 Kimbark Street
- 455 Kimbark Street
- 246 Main Street
- 247 Main Street
- 249/251 Main Street
- 300/302 Main Street
- 301 Man Street
- 312/314 Main Street
- 316/318 Main Street
- 317/319 Main Street
- 320/324 Main Street
- 321/321 ½ Main Street
- 325 Main Street
- 331/331 ½ Main Street
- 332 Main Street
- 336/338 Main Street
- 337 Main Street
- 339/341 Main Street
- 345 Main Street
- 346 Main Street
- 350 Main Street
- 356/356 ½ Main Street
- 357 Main Street
- 360 Main Street
- 361 Main Street
- 364 Main Street
- 369/371 Main Street
- 372 Main Street
- 373 Main Street
- 379 Main Street
- 380 Main Street
- 381/383 Main Street

- 400 Main Street
- 401 Main Street
- 412 Main Street
- 416/418 Main Street
- 430/434 Main Street
- 431 Main Street
- 435 Main Street
- 436 Main Street
- 437/439 Main Street
- 444 Main Street
- 445 Main Street
- 449 Main Street
- 450 Main Street
- 452/454 Main Street
- 455 Main Street
- 457/459 Main Street
- 460 Main Street
- 461 Main Street
- 463 Main Street
- 464 Main Street
- 470 Main Street
- 471/473 Main Street
- 475/477 Main Street
- 510 3rd Avenue
- 525 3rd Avenue
- 635 3rd Avenue
- 457 4th Avenue
- 504 4th Avenue
- 505 4th Avenue
- 510 4th Avenue
- 512/514 4th Avenue
- 519 4th Avenue
- 661/665 4th Avenue
- 667 4th Avenue
- 501 5th Avenue

# Colorado's Historic Preservation Tax Credit for Commercial Properties

### WHAT IS A TAX CREDIT?

A tax credit is a dollar-for-dollar reduction in the amount of tax owed to the government. Tax credit projects create jobs and provide financial incentives to revitalize historic buildings. Federal and state tax laws offer tax credits for historic preservation projects that follow the Secretary of the Interior's Standards for Rehabilitation of Historic Properties. The federal government offers a tax credit between 10 and 20 percent, which can be paired with the state tax credit.

Preservation tax credits for commercial properties are managed jointly by the Office of Economic Development and International Trade (OEDIT) and History Colorado.

### WHAT TYPE OF PROPERTY IS ELIGIBLE?

	Property must be:
Pre-2015 state tax credit*	<ul><li>» At least 50 years old</li><li>» Locally landmarked or listed on the State Register</li></ul>
New state tax credit for residential properties	<ul><li>» At least 50 years old</li><li>» Locally landmarked or listed on the State Register</li></ul>
New state tax credit for commercial properties	<ul><li>» Locally landmarked or listed on the State Register</li><li>» Income-producing</li></ul>

\*Applicants may apply for pre-2015 tax credits with Certified Local Governments or History Colorado in lieu of the new credit. Both cannot be used for the same project.

### HOW CAN THE TAX CREDITS HELP ME?

- » Colorado's state historic preservation tax credits for commercial properties are transferable: you can sell them upon completion of your project. Selling credits can bring in additional funds for your project, for a cash match for a grant, or for a loan.
- » Using preservation tax credits gives you access to additional federal and state funding pools, grant programs, and further tax credits.
- » Historic preservation tax credits lower your tax bill, which can increase your tax refund.

### WHEN CAN I APPLY?

Applications for the new commercial state preservation tax credit are accepted year-round on a rolling basis.

### RESERVATION LIMITS PER YEAR

Expenditures	2016	2017	2018	2019
Estimated rehab expenditures of \$2 million or less	\$2.5	\$5	\$5	\$5
	million	million	million	million
Estimated rehab expenditures over \$2 million	\$2.5	\$5	\$5	\$5
	million	million	million	million

» Each building is limited to \$1 million in credit in any one calendar year. Owners may apply for credits on multiple properties.

### HOW DO I RESERVE A TAX CREDIT?

www.advancecolorado.com/hptc



Register with OEDIT on their tax credit website



Submit a Tax Credit Application (TCA) and rehab plan. Use OEDIT's project checklist to make sure you've turned in all requested materials, such as photographs and drawings.



History Colorado and OEDIT will conduct a preliminary review of project materials and respond to your request.



If the project materials you submitted meet the requirements, OEDIT will reserve a preliminary tax credit on your behalf, pending available funding.



History Colorado will conduct a detailed review and ensure your project follows the Standards for Rehabilitation. Upon History Colorado's approval of project, OEDIT will officially reserve the tax credits for the applicant (90 days).



You will claim your tax credit upon completion of your project and approved proof of rehabilitation.

All applications are reserved on a first-come, first-served basis.

www.historycolorado.org/oahp/available-programs









	NEW CREDIT  COMMERCIAL	PRE-2015 CREDIT
Eligible properties	Property must be designated individually, or it must be part of a historical contributing district, at the national, state, or local level.	More than 50 years old, <i>and</i>
	Listed on State Register of Historic Properties or landmarked by a Certified Local Government (CLG)	Listed on State Register of Historic Properties or landmarked by a Certified Local Government (CLG)
Eligible applicants	Property Owner, or	Property Owner, or
	Tenant with lease of at least 39 years, or	Tenant with lease of at least 5 years
	Holders and those with property under contract	
Eligible projects	Costs must exceed adjusted basis (25% of the purchase price minus current value of land)	Costs must exceed \$5,000
	Project must meet the Secretary of the Interior's Standards	Project must meet the Secretary of the Interior's Standards
Time limits	<ol> <li>Applicant must start work within 12 months of allocation, and;</li> <li>Applicant must be at least 20% finished within 18 months of allocation.</li> </ol>	Project must be completed within 24 months (or 48 with a one-time extension)
Completed work	Can be claimed if completed <b>within 60 days</b> and documented	Can be claimed if within 24 month period and documented
Extent of tax savings	25% of Qualified Rehabilitation Expenditures (QREs) for projects less than \$2 million; 20% of Qualified Rehabilitation Expenditures (QREs) for projects more than \$2 million Additional 5% credit for properties located in areas that	20% of Qualified Rehabilitation Expenditures (QREs)
Disaster relief	Additional <b>5% credit</b> for properties located in areas that have been designated as disaster areas within past 6 years	None
Project cap	The maximum amount of tax credit available to any commercial property is \$1 million per year	\$50,000 per property
Credit availability	See Reservation Limits Per Year chart on opposite page	Subject to yearly budget estimates
Credit length	Can be used for up to 10 years	Can be used for up to 10 years
Allowable costs	Any expenditures allowed by federal tax credit (IRS code 47(c)(1)(A))	Qualified Rehabilitation Expenditures (QREs)
Fees	\$500 Part 1 fee Issuance fee of 3% of tax credit amount	\$250 Part 1 fee (may be waived for projects under \$15,000) \$0- \$750 Part 2 fee
Recapture	No recapture of credits under the new law	Recapture plan if property sold within 5 years
Transferability & saleability	Owners, including nonprofit organizations, may <b>use</b> , <b>transfer</b> or <b>sell credits</b> to other taxpayers; these other taxpayers may in turn transfer credits to additional taxpayers, using the OEDIT website	None; credits stay with owner





# why invest in downtown.

LONGMONT

### **COMMUNITY SUPPORT**







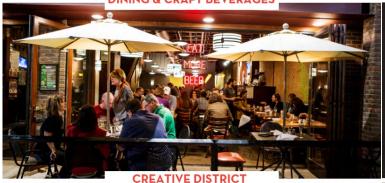


We can help match your ideas to the right location in downtown.

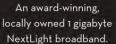
We have programs and partners to help meet your needs.

We have a plan that identifies downtown's, opportunities & vision.

### TOP NOTCH SERVICES









Economic partners support business infrastructure.



Among the lowest electric rates in the country.

### **ROBUST TOOLBOX**





Public-Private
Partnerships & TIF
incentives.



Designated Opportunity Zone.



National Historic District & Enterprise Zone tax credits.

### DESIRABLE VIBE





Walkable, bikeable, compact urban environment.



Craft beverages, coffee, restaurants and entertainment.



More than 1,700 FREE public parking spaces.

LDDA@LONGMONTCOLORADO.GOV

WWW.DOWNTOWNLONGMONT.COM | 303-651-8484