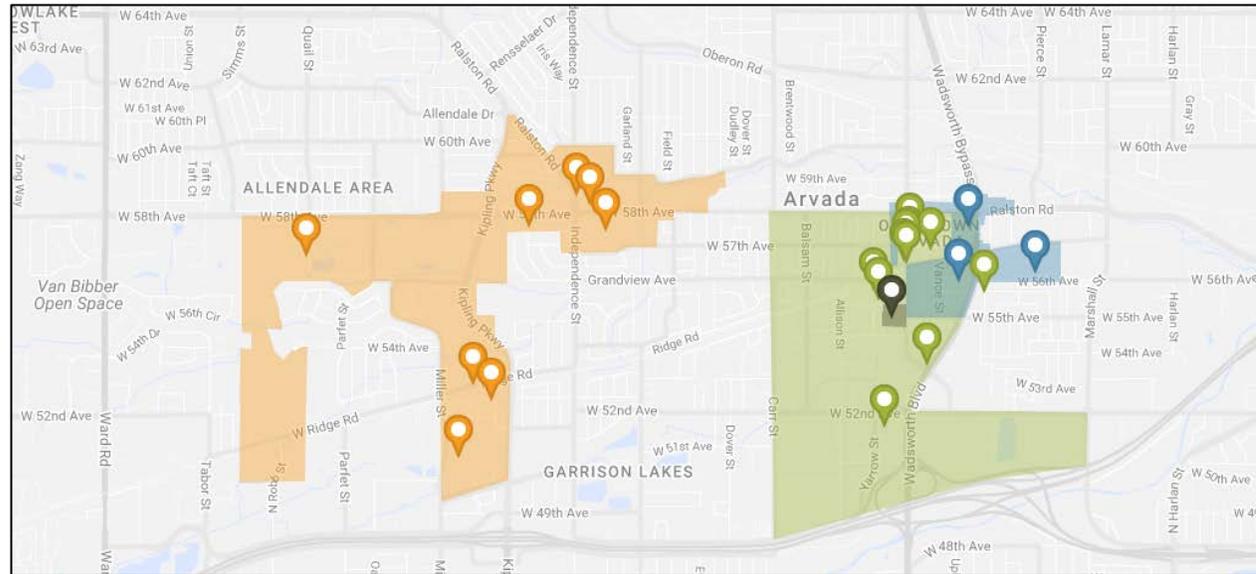


AURA Economic Impact



Arvada City Council
January 8, 2018



Development Research Partners, Inc.

Economics Research & Analysis

- Economic and Demographic Research
- Industry Studies
- Fiscal and Economic Impact Studies
- Real Estate and Public Finance Analysis

Formed in 1994 in Jefferson County, CO

AURA Project Team

- Jesse Silverstein – Project Lead
- Patty Silverstein
- David Hansen



AURA's Leveraging of Private Investment

- Leveraging public dollars into private-sector investments is a key benefit of AURA's process, and AURA has shown a high level of success in leveraging public and private investments.
- For every \$1 invested by AURA, Arvada has received the following private-sector investment:
 - \$10.79 or \$103 million in Olde Town URA
 - \$5.98 or \$195 million in Ralston Fields URA
 - \$4.88 or \$19 million in Village Commons URA
 - \$2.02 or \$160 million in City Center URA

Benefits to City of Arvada

- 1,785 new housing units that are projected to generate \$17.5 million in new household taxable spending in the City.
- \$125 million in infrastructure and public improvements from AURA projects — including roads, sidewalks, flood and stormwater, environmental mitigation.
- \$13 million of investments in community benefit projects such as public parks and plazas, interactive fountain, streetscapes, and public restrooms.

Benefits of New Economic Activity

- Initial Investment
- Business Operations
- Employee Spending
- Resident Spending
- Visitor Spending



Return on Public Investment Indicators

- Private investment dollars leveraged by AURA public investment
- City revenue collections net of property & sales tax
- City revenue “bounce-back”: full revenue collections after TIF



City Revenues Net of TIF

- Potential City Revenue from all sources is evaluated, not just property and sales tax
 - Use Tax
 - Auto Use Tax
 - Specific Ownership Tax
 - Utility Franchise Fee
 - Other Tax Revenue – admissions, cigarettes, severance
 - Fees for Service & Other – building permit fees, court fines & fees, professional & occupational licenses, passport fees, investment interest, etc.
 - Jefferson County Open Space – City receives 50% of collections
 - Jefferson County Road & Bridge – City receives 50% of collections

City Revenues Net of TIF

- Estimated annual TIF for AURA projects is deducted from Potential City Revenue to determine annual City Revenue Net of TIF
- Revenue sources include direct and indirect economic activity
- Only AURA projects are evaluated
- Once the TIF period ends, incremental property and sales tax will be unencumbered, and Arvada collects full revenues – the bounce-back

Ralston Fields URA Summary

Projects

Arvada Ridge (Target Center)
Arvada Station Apartments
Gateway at Arvada Ridge
Arvada Plaza (Walmart)
Shops at Ralston Creek

Land Uses

Residential and Commercial

Total Housing Units

680

Total Commercial SF

416,142

Financing

Total Project Cost

\$227,150,000

AURA Participation

\$32,531,652

Private Investment

\$194,618,348

\$s Leveraged per AURA \$ Invested

\$5.98

Ralston Fields Anticipated Economic Benefits

Residential (annual dollars):

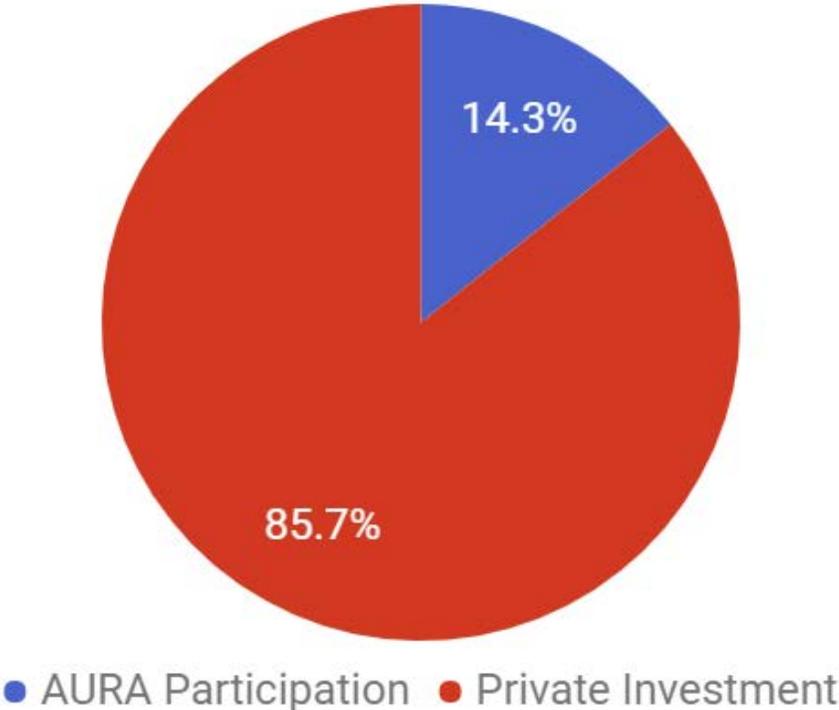
New Households	680
Average Household Income	\$56,176
Total Household Income	\$38,200,000
Average Household Taxable Spending in Arvada	\$9,706
Total Household Taxable Spending in Arvada	\$6,600,000

Commercial (annual dollars):

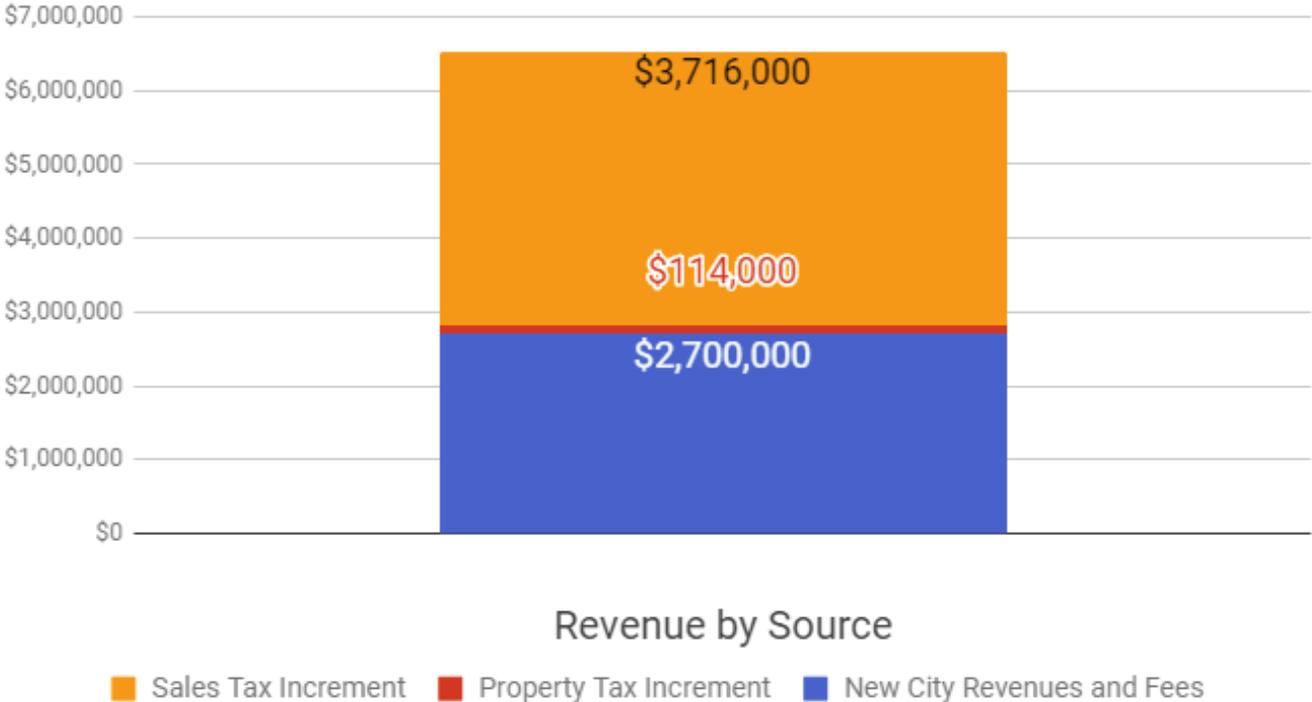
Net, New Jobs	1,213
Average Wages	\$26,000
Total Wages	\$32,000,000
Spending by Businesses	\$6,600,000
Sales Tax Increment	\$3,716,000
Property Tax Increment	\$114,000
New City Revenues and Fees (net of sales & property tax)	\$2,700,000

Ralston Fields URA

Share of Investment



City Revenue Generated by AURA



Village Commons URA Summary

Projects

Hilton Garden Hotel

Land Uses

Commercial

Total Hotel Units

139

Total Commercial SF

85,513

Financing

Total Project Cost

\$22,500,000

AURA Participation

\$3,828,279

Private Investment

\$18,671,721

\$s Leveraged per AURA \$ Invested

\$4.88

Village Commons Anticipated Economic Benefits

Residential (annual dollars):

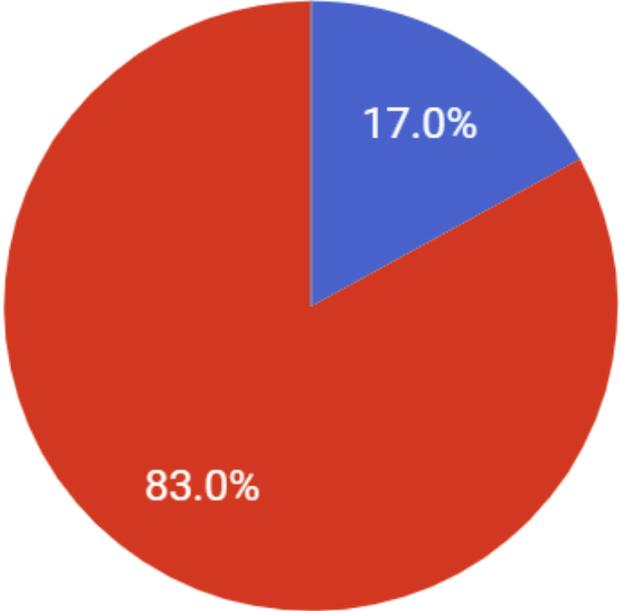
na

Commercial (annual dollars):

Net, New Jobs	30
Average Wages	\$28,067
Total Wages	\$842,000
Spending by Businesses	\$350,000
Visitor Spending in Arvada	\$1,900,000
City Sales Tax Increment	\$230,000
City Property Tax Increment	\$19,000
Lodging Tax Increment	\$113,000
New City Revenues and Fees (net of sales, property, & lodging tax)	\$70,000

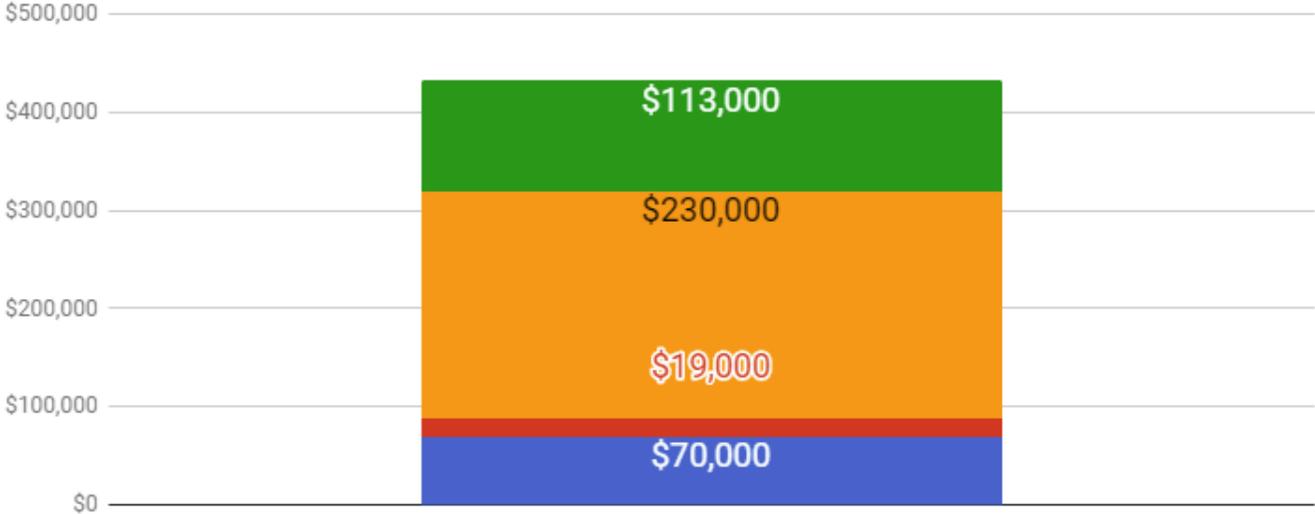
Village Commons URA

Share of Investment



● AURA Participation ● Private Investment

City Revenue Generated by AURA



Source of Revenue

■ Lodging Tax ■ Sales Tax Increment ■ Property Tax Increment
■ New City Revenues and Fees

Olde Town Station URA Summary

Projects

Park Place Olde Town
Solana Olde Town Station

Land Uses

Residential

Total Housing Units

505

Total Commercial SF

0

Financing

Total Project Cost

\$112,400,000

AURA Participation

\$9,534,193

Private Investment

\$102,865,807

\$s Leveraged per AURA \$ Invested

\$10.79

Olde Town Station Anticipated Economic Benefits

Residential (annual dollars):

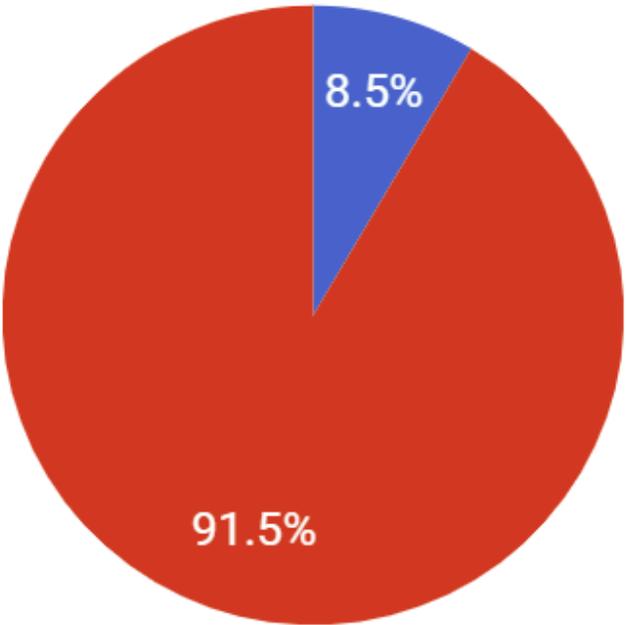
New Households	505
Average Household Income	\$63,366
Total Household Income	\$32,000,000
Household Taxable Spending in Arvada	\$10,891
Total Household Taxable Spending in Arvada	\$5,500,000

Commercial (annual dollars):

Net, New Jobs	na
Average Wages	na
Total Wages	na
Spending by Businesses	na
City Sales Tax Increment	\$0
City Property Tax Increment	\$34,000
Lodging Tax Increment	\$0
New City Revenues and Fees (net of sales & property tax)	\$1,134,000

Olde Town Station URA

Share of Investment



● AURA Participation ● Private Investment

City Revenue Generated by AURA



■ Property Tax Increment ■ New City Revenues and Fees

City Center URA Summary

Projects

Regional Power Center
Restoration of Olde Town Arvada
Water Tower Village

Land Uses

Residential and Commercial

Total Housing Units

600

Total Commercial SF

1,724,183

Financing (1995\$)

Total Project Cost

\$239,844,830

AURA Participation

\$79,544,830

Private Investment

\$160,300,000

\$s Leveraged per AURA \$ Invested

\$2.02

City Center Economic Benefits

Residential (annual dollars):

New Households	600
Average Household Income	\$57,200
Total Household Income	\$34,320,000
Average Household Taxable Spending in Arvada	\$8,818
Total Household Taxable Spending in Arvada	\$5,400,000

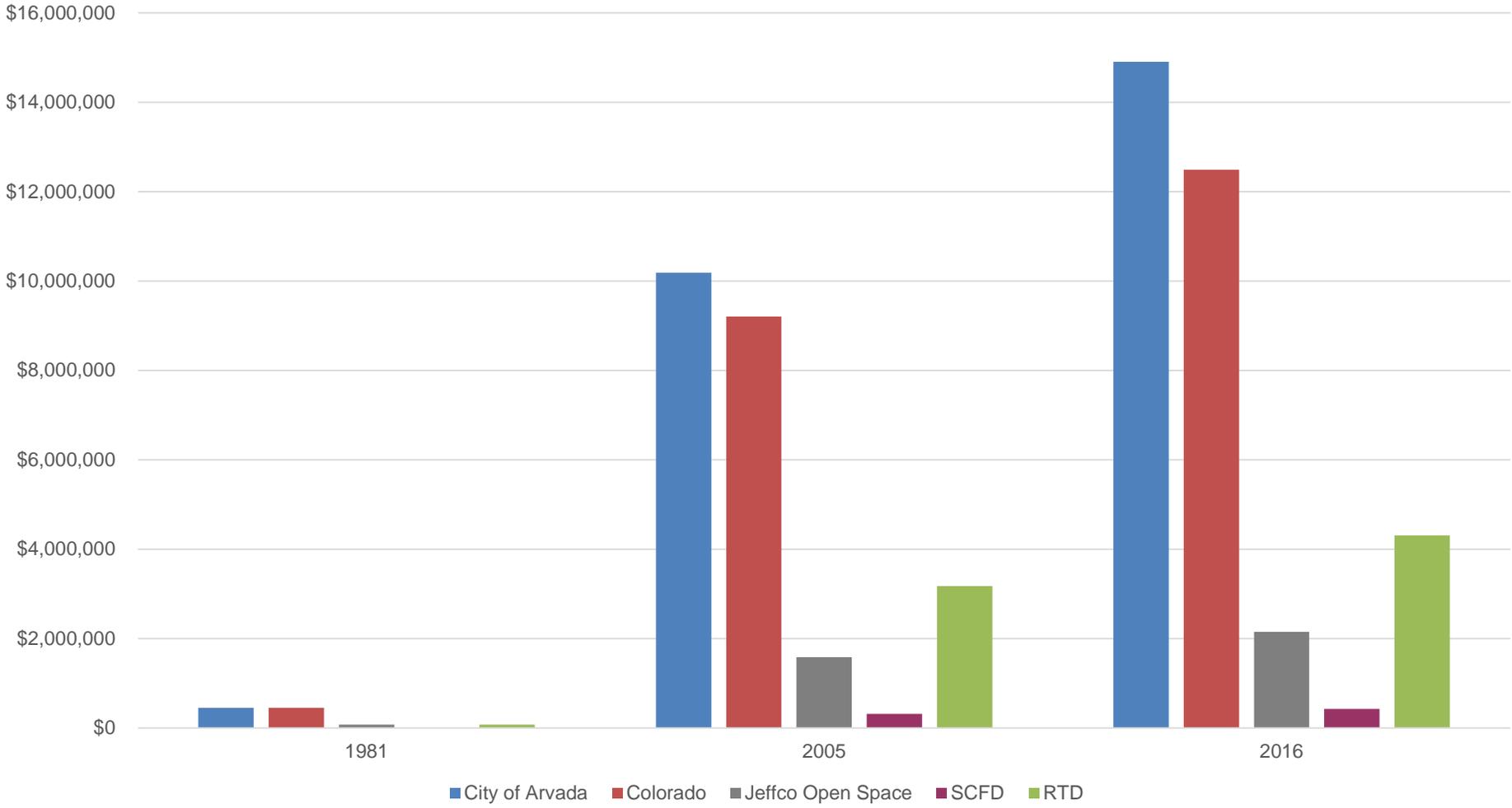
Commercial (annual dollars):

Net, New Jobs	4,711
Average Wages	\$36,729
Total Wages	\$173,028,000
Spending by Businesses	\$31,474,000
City Sales Tax Increment	expired
City Property Tax Increment	expired
Current City Revenues and Fees	\$18,300,000

AURA's First URA – City Center

- In 2016, City Center generated just over \$34 million in total sales tax, with Arvada receiving nearly \$15 million—27% of sales tax receipts for City for that year.
 - 291 new businesses and 4,711 new jobs created in the City Center URA since its inception in 1986.
 - City Center employees in 2016 earned estimated wages totaling more than \$173 million.

City Center URA Sales Tax Revenues



Discussion

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