**CITY OF BRIGHTON**
**ECONOMIC DEVELOPMENT BUSINESS INCENTIVE POLICY 2024**

**Purpose**
Because of inherent competition locally, nationally, and internationally for new business and jobs, the City of Brighton recognizes that incentives are sometimes necessary to allow a community to reach its full economic potential. The purpose of this Economic Development Incentive Policy is to aid economic development within the City by providing assistance to qualified employers who plan to establish new operations or facilities in the City or significantly expand existing operations or facilities.

**Priorities**
The City may consider incentive packages for the following priority areas.

- Primary Employment - The City will consider incentives for primary employers who create net new jobs in Brighton. A primary employer is any company which exports at least 50% of their goods or services outside the region. Brighton's region is defined as Adams County or;
- Sales Tax Generator - The City will consider requests for incentives for a retailer where the project fills or expands an identified retail need not being met in the City and/or generate a significant amount of sales tax revenue. The City may consider sales tax incentives for other types of employers but only in extraordinary circumstances where the business represents a significate economic impact to the local economy or;
- City Council Strategic Plan Objectives - The City will consider requests for incentives if the employer furthers the City Council's Objectives and Goals contained in the City of Brighton's Comprehensive Plan, Urban Renewal Plans, and other various Master Plans.

**Eligibility Requirements**
All incentivized projects must meet the requirements set out by the City including:

- Primary Employment
    - Creation of 50 net new jobs
    - Creation of primary jobs with an annual average wage at least 20% higher than the County's average wage. The specific location of company's primary operations in Brighton will determine whether Adams or Weld County annual average wage is used for this calculation.
    - Minimum capital investment of $1,000,000
- Retail Employment
    - Creation of 50 net new jobs
    - Minimum of $15,000,000 in annual sales
    - Meets a retail need not being met within the trade area or meets Council's Strategic Plan Objectives

The Economic Development Department may request an economic impact analysis, feasibility study, financial information, or any other information required to determine whether the project meets the eligibility criteria and the City's strategic goals.

**Policy**

- The Economic Development Department staff are charged with the responsibility for initiating negotiations with and responding to inquiries from business entities to encourage their location, retention, or expansion in the City.

- Performance Based. Though not required for all projects, a performance-based agreement is preferred. Performance based means that before any monies may be disbursed, the business and/or developer must meet or exceed specific performance measures. For example:
    - New revenues to the City generated by the business must equal or exceed the total dollar amount of the business assistance provided during the period of the business incentive agreement.
    - Jobs created must be net new jobs to the City.
    - The completion of the development review process milestones, such as successful completion and issuance of a development permit, building permit and/or certificate of occupancy and business license prior to disbursing any monies.
- Term of Agreements. Business incentive agreements shall generally be limited to a five-year period, although a period of more than five years may be considered on a case-by-case basis. The agreement and all provisions will be terminated if the business leaves Brighton with no further obligations to the City.
- Administrative Approval. If the total City incentive package is equal to or less than $250,000, the City's Economic Development staff will submit a formal recommendation to the City Manager for consideration of administrative approval. City Council will be kept informed of incentive packages negotiated through the administrative approval process. If the total City incentive package is greater than $250,000, the formal staff recommendation will go to a City Council executive session for initial consideration and negotiations. Once the incentive package is finalized, City Council will discuss and review the item at a public meeting, and the resolution will require a majority vote of City Council members present for approval. Total incentive package is defined as the sum value of all the incentives offered by the City to a project.
- The City Council may conduct deliberations of a proposed incentive agreement and direct negotiations prior to finalizing the incentive package in executive session.
- City Council may consider other incentives not otherwise noted in this document where the opportunity warrants additional consideration.

**Incentive Types**

Companies interested in incentives from the City may request a meeting with the Economic Development Department for consideration of an incentive. The list is not all inclusive. Any incentive recommendation brought forth by the Economic Development Department is subject to City Council or City Manager approval and, if applicable, appropriation.

- Sales Tax Rebate - In general, the City may consider a rebate up to 50% of the unrestricted City Sales Tax collected up to 5 years. The consideration of a Sales Tax Rebate agreement will be based on various factors including the geographical location of the business.
    - The City may consider a rebate of up to 50% of the unrestricted General Fund sales tax revenues received by the City for the business in question. If any previous incentive or other agreements are in place that commit this revenue to other purposes, including other development or incentive agreements with Metropolitan Districts or other entities, or if the revenue is committed for debt service, those commitments must be excluded from the amount available for rebate.
    - If the project resides within the Prairie Center Metropolitan District, it will generally not be eligible for incentive packages. On a case-by-case basis and for projects deemed to have significant economic benefit, the City may agree to rebate up to 50% of the one percent of unrestricted General Fund sales tax revenue received by the City.

- Use Tax Rebate – Under limited circumstances, up to 50% of the City Use Tax collected may be rebated. A business receiving a use tax incentive rebate will be required to have use tax audited upon completion of construction or of the transaction of a sale of a business. The City collects Use Tax on:
    - The acquisition of a Brighton business including tangible personal property acquired with the purchase of the business and for use in the operation of the business.
    - Construction materials, fixtures and supplies that become a part of a piece of real property during a permitted project in the City of Brighton.
- Business Personal Property Tax Rebate – Businesses pay City personal property tax on equipment used to conduct business that is not considered permanently affixed to the real property. The City may consider up to 50% of personal property tax revenue received by the City rebated for up to 5 years.
- Expedited Development Review
    - The City of Brighton will offer an expedited development review process to facilitate the efficient and timely approval of proposed projects. See Appendix 1 for details on this process.

Other Incentive Opportunities

- The Brighton Economic Development team will work with other partner agencies including State, County and Regional Economic Development offices, Brighton Urban Renewal Authority, Greater Brighton Chamber of Commerce and tourism Bureau, etc. to find the most effective options for financially supporting local business development.

**APPENDIX 1: Expedited Development Review Process**

1. All projects that meet the incentive policy criteria are eligible for expedited review.
2. City Manager will send letter to reviewing staff indicating which projects receive expedited development review status.
3. Economic Development staff will be dedicated to track progress and ensure all parties are delivering and the project is expedited.
4. Senior staff members from reviewing departments will be assigned to review the project.
5. In person Pre-Application Conference is preferred to discuss project with all reviewers and applicant present.
6. Applicant is required to submit all items on the Plan Submission Checklist and turn in complete and thorough plans upon first review.
7. The Development Review Committee will have final plan review and decision after 3rd round. First round of review by staff will be 28 calendar days and subsequent rounds of reviews will be 21 calendar days.
8. On a case by-case basis, platting, annexation and zoning can be processed concurrently according to the needs of the project.
9. Brighton Fire District will be able to designate projects as priority and complete first review within 7 days.
10. Applicants will be advised the City does not have control over third party plan review processes such as electric and ditch companies.
11. Fire and Community Development will provide an estimate of fees after first review. The Community Development department will provide the project point of contact with a form that will assist them in estimating their fees for the project.
12. There will be no new comments by City staff after first round of review unless resubmitted plans have substantial changes; create health and/or safety issues; or bring the project out of Code compliance.
13. Applicant's response to each plan review should not exceed 60 days without approval from the Development Review Committee to continue as expedited status.
14. Meeting will be held with applicant and review committee after each round of review to clarify/discuss comments and any future needed changes.
15. Building plan review will run concurrent with Development Review Committee letter signature process.